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## EC Agrees to Arms Embargo Against Backers of Terrorism



Uffe Ellemann-Jensen, left, the Danish foreign minister, talking Monday with the EC commissioner for external affairs, Willy de Clercq, before the Brussels meeting.

### Libya Target, Official Says

By Steven J. Dryden  
Associated Press

BRUSSELS — Foreign ministers of the European Community agreed Monday to halt arms sales to countries supporting terrorism, but decided to join a U.S. campaign of economic sanctions against Libya.

Hans van den Broek, the Dutch foreign minister, who holds the rotating presidency of the EC, said the decision was a "clear message" to governments that support terrorism.

Before considering the question of terrorism, Mr. van den Broek urged the countries who are members of the EC to sign a package of revisions on Feb. 17.

The Danish parliament voted against the revisions last week, preventing that government from signing the measures before a national referendum, planned for the end of February, can be held on the question.

Mr. Ellemann-Jensen, the Danish foreign minister, said after meeting with the other foreign ministers Monday that his government, which supports the EC changes, had won agreement for a special interpretation of certain revisions.

This interpretation, he said, will allow Denmark to maintain its environmental standards, which many Danes believe are threatened by the EC changes. He added that he thought the voters would accept them.

"We will remain good and loyal members of the European Community," he said.

Although Libya was not mentioned in the declaration approved by the foreign ministers, Mr. van den Broek said it was his official understanding that "no country wants to continue selling arms" to Tripoli.

Mr. van den Broek added, however, that it was up to each EC member to decide on which country to apply the ban.

The United States has accused Libya of backing the terrorist attacks last month on airports in Rome and Vienna, as well as other acts of violence against civilians. It also has urged its European allies to cut oil imports and take other steps to put pressure on Colonel Moammar Qadhafi, the Libyan leader.

While the EC declaration said that "states that favor or protect terrorism cannot expect indulgence" (Continued on Page 5, Col. 1)



### Peres Pays Tribute to the Dead of Bergen-Belsen

Prime Minister Shimon Peres of Israel, on a three-day visit to West Germany, traveled Monday to the site of the Bergen-Belsen concentration camp, where he stood solemnly before a memorial to the estimated 50,000 Jews who died there in World War II.

## Museveni Outlines His Policies for Uganda

By Edward Kitala  
Associated Press

KAMPALA, Uganda — Yoweri Museveni, the commander whose insurgents have seized most of Uganda, outlined his policies Monday and said the military regime's forces were dismantling quickly.

He said he would encourage a mixed economy of state-run and private enterprises in this East African nation of 14 million people.

In Mr. Museveni's first public appearance since his National Resistance Army captured Kampala last Saturday, he told foreign diplomats that his administration would seek good relations with all countries.

He appealed for international assistance to help Uganda rebuild after years of internal strife.

The Reagan administration Monday praised Mr. Museveni's guerrilla organization. Reuters reported from Washington. The State Department spokesman, Bernard Killy, said the administration had been in touch with the rebels' political wing in New York and Nairobi.

"We are encouraged by the fact that the National Resistance Army appears to be disciplined and has



representatives of international organizations.

He told them the army of the six-month-old military government of Lieutenant General Tito Okello was falling apart, that many of its soldiers had joined his forces and that others who fled to the north and east should surrender.

There was no word on the whereabouts of General Okello, who became head of state after army officers overthrew a civilian president, Milton Obote, on July 27.

General Okello was last reported to be at Jinja, 50 miles (80 kilometers) east of Kampala and Uganda's second-largest city. But sources in Kampala and Nairobi, capital of neighboring Kenya, said Mr. Museveni's men were taking control around Jinja and further east at the Kanyenda border.

Kampala was calm Monday, although bursts of gunfire could be heard since Museveni fighters were trying to round up fugitive troops.

Offices and businesses in the city center were closed, but gasoline stations opened for the first time since the fighting, and electricity was being restored.

The bodies of dozens of soldiers had lain in the streets Sunday, but most were removed by midnight Monday.

Property damage was not extensive, although an explosion destroyed an army munitions depot and artillery fire heavily damaged the Treasury building.

Some Kampala residents, accustomed to widespread looting in previous battles and coups, said they saw no looting by the Museveni fighters, who instead were seen guarding buildings.

Mr. Museveni said his forces would be willing to talk with virtually all political and military factions, "even criminal" elements, he said.

Uganda's wildlife, which has suffered badly from poaching by unruly soldiers during the past 15 years, is threatened again by soldiers fleeing from fighting in the capital, Reuters reported Monday from Nairobi.

United Nations officials in Uganda said that fleeing soldiers were reported to have looted the Prince of Wales Hotel in the Murchison Falls National Park, and to be killing game animals for food.

## Thatcher Defends Role In Westland Dispute

By Maureen Johnson  
The Associated Press

LONDON — Prime Minister Margaret Thatcher defended her actions in the Westland helicopter dispute Monday.

The opposition charged that she was still trying to cover up her role in a crisis that has led to the resignation of two cabinet members and demands that she step down.

Mr. Thatcher said she was not the former trade and industry secretary, Leon Brittan, was responsible for disclosing a damaging government letter to the media only 10 days after it was written.

She acknowledged that one day after the Jan. 6 leak, she was told in general terms of contents by Mr. Brittan, who was then secretary of the Department of Trade and Industry.

The letter, from Solicitor General Patrick Mayhew to the defense minister, Michael Heseltine, accused Mr. Heseltine of "material

inaccuracy" in his campaign to promote a European consortium's bid to rescue Westland PLC, the financially troubled British helicopter company.

Mr. Thatcher said Mr. Heseltine had not asked the attitude of the trade secretary — almost as inconceivable as he did not tell her his attitude was.

Mr. Heseltine unexpectedly rallied to Mr. Thatcher's defense Monday. He promised to vote for the ruling Conservative Party at the end of the emergency debate to "keep the Tory Party in power and keep the opposition out."

Referring to the Mayhew letter, Mr. Thatcher said, "This was one, mind-boggling one of a number of matters, that could have been handled better and that, too, I regret."

She added, "There was a genuine difference in understanding between officials as to exactly what

Westland announced a revised financial rescue plan, Page 11.

## For Voyager, a 'Bizarre' Discovery

By Thomas O'Toole  
Washington Post Service

PASADENA, California — Miranda, a small moon of Uranus, appears in photographs from Voyager-2 as a rocky object of disconnected and misshapen cliffs, valleys, canyons and glaciers.

"If you took all the bizarre geology in the solar system and put it on one object, that would be Miranda," Dr. Laurence A. Soderstrom of the U.S. Geological Survey said Sunday. "There is nothing like it in the solar system."

Voyager-2 passed Friday within about 50,000 miles (80,000 kilometers) of Uranus, the seventh planet from the sun and used the planet's tremendous gravitational force like a slingshot to direct the spacecraft toward a 1989 rendezvous with Neptune.

As it passed Uranus, Voyager-2 also discovered evidence of 10 new thin rings, which would double the number of known rings around the planet. It also tracked cloud formations in the atmosphere of Uranus, about two billion miles from Earth.

Photographs of Miranda, one of five moons discovered from Earth before Voyager-2 found 10 smaller ones, showed a surface



A view of Miranda, the innermost of Uranus' moons, taken at a distance of about 22,000 miles. The large crater near the center has a diameter of about 15 miles.

## Wind, Snuck Bolt Force Shuttle Into a 3d Delay

The Associated Press

CAPE CANAVERAL, Florida — The flight of the space shuttle Challenger was postponed Monday because of strong winds that built up during the more than two hours that technicians worked to open a hatch hatch bolt.

It was the third postponement in as many days. The launch was rescheduled for 9:38 A.M. Tuesday (14:38 GMT).

Wind gusts of more than 30 miles per hour (about 50 kilometers per hour) swept across a runway where the shuttle and its seven-person crew would land in case of an emergency shortly after liftoff. The National Aeronautics and Space Administration considers crosswinds of this speed too dangerous for a landing.

Because a bolt on the handle of the entry hatch had to be removed, technicians borrowed another handle from another shuttle, Discovery.

The problems started about an hour before launch time Monday morning, when microsatellites failed to confirm that the hatch had closed properly. An engineer

## On the Philippine Political Stump, Marcos Is Like a Guerrilla Fighter

By Francis X. Clines  
Associated Press

LOILOI, Philippines — Whatever the doubts about his war record, Ferdinand Marcos shows the boldness of the guerrilla fighter in his attacks from the political stump.

Monday, he suddenly invoked the spirit of his slain opponent, Benigno S. Aquino Jr., to fire "re-creator" supporters and accused Mr. Aquino's widow, Corason S. Aquino, of attempting to deceive martial law if he is elected president.

Campaigning tirelessly through a day on the outer islands, Mr. Marcos thus sought a strange rebuttal of two of Mrs. Aquino's major campaign arguments: her focus on the fact that martial law was introduced by Mr. Marcos himself 15 years ago and her bitter accusation that the president was behind her husband's 1983 assassination.

The Aquino strategists added a herbed element to what has become Mr. Marcos's set campaign speech — a tough last stand against pressures that range far beyond the nation's sumo circuit to the halls of power in Washington.

Obviously marshaling his limited resources for public rallies, the aging president faces the voters with a

slow, leathery quality of resolution. His eyes work crowds with the hawk-like air of the lion; as he blends warnings against Communism with denunciations of the lack of experience of Mrs. Aquino, supported by the most unshocking use of government largesse for warring voters in all his 20 years in power.

Beyond the candidate, there is the government itself ready to echo his warnings about Communism.

Mr. Marcos ordered bank officials to scramble grant short-term credits to help farmers. The crowd of more than 40,000 at Bacolod closed.

Then, noting this might be ill-fated political witness Mon-

day as he delighted large crowds in signing one executive order after another to "immediately" cut their housing and utility costs.

"I hereby order the lowering of electric rates," he announced.

He also tentatively ordered the dismissal of one billion pesos (\$24 million) to the treasury for them to buy up surplus from the depressed sugar industry in hopes of reviving sugar prices.

Under the last morning sun, he pushed his order power to the limits in trying to placate sugar farmers. Mr. Marcos ordered bank officials to scramble grant short-term credits to help farmers. The crowd of more than 40,000 at Bacolod closed.

Then, noting this might be ill-fated political witness Mon-

## Nigeria's Problems: Oil Prices Fall as Debts Mount

By Blaine Harden  
Washington Post Service

LAGOS — The past week's sharp drop in oil prices catches this country, which is dependent on oil revenues, in the middle of a confrontation with the world banking system.

Nigeria's military leader, Major General Ibrahim Babangida, declared on New Year's Eve that his country would use no more than 30 percent of its export earnings to pay foreign debts. In effect, the general told lenders either to settle this year for a little more than half of what they are owed or risk getting nothing.

At stake is Nigeria's challenge to its creditors: Is the economic future of an underdeveloped country with 100 million people who

account for half the gross national product of black Africa.

Also at stake is the question of who calls the shots in international finance. Should it be the bankers who loaned billions of dollars at high interest rates and the rich countries that ensure many of those loans? Or should it be the debtor nations that must balance their international credit ratings against the need to use export earnings to finance their economic recovery?

Last week's tumble in the price of Nigerian crude oil, along with the likelihood of still further cuts, not only threatens the economy but also heightens the confrontation between Nigeria and the bankers.

If General Babangida sticks to his word, Nigeria's creditors, paid no more than 30 percent of the country's earnings, will be squeezed with each decline in the price of oil.

Bankers and Western governments are owed about \$18 billion by Nigeria.

Nigeria's low-sulfur Bonny Light crude is almost identical to that produced in the North Sea by Britain and Norway. Last week's fall in the price of North Sea oil in the spot market to less than \$18 a barrel, oil analysts said, pulls down spot market price for Nigerian crude.

The spot market price for Nigerian crude at midweek was \$21.50 a barrel, \$7.15 below the official selling price of \$28.65.

"They are pegged together," said Ed Robinson, Texas Inc.'s general manager in Nigeria. "If North Sea crude falls to \$15 a barrel, Nigerian crude can't stay far behind."

Oil industry specialists and financial analysts said Nigeria's economy, which is dependent on oil for about 94 percent of its export

earnings, is extraordinarily vulnerable to falling oil prices.

Analysts said a drop in the price of oil to \$16 a barrel would leave Nigeria barely able to pay for the \$6.7 billion of imports proposed in this year's austerity budget. This assumes that the country could find buyers for 1.33 million barrels of oil a day. Still, there would be almost nothing left over to pay a debt that has been conservatively estimated this year at \$4.8 billion.

If Nigeria crude was selling at \$18 a barrel, the Nigerian government would receive about \$13 for each barrel. If the price of oil holds at \$20 a barrel and production is maintained at a more realistic level of about 1.1 million barrels a day, analysts said Nigeria would still have to trim

its budget by \$1.5 billion.

Mr. Babangida's set campaign speech — a tough last stand against pressures that range far beyond the nation's sumo circuit to the halls of power in Washington.

Obviously marshaling his limited resources for public rallies, the aging president faces the voters with a

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## Seoul Sees Little Hope Of Accord

Chun Says North Is Intent Upon Armed Conflict

By John Burgess  
Associated Press

SEOUL — President Chun Doo-hwan of South Korea held out little hope Monday for meaningful progress in talks with North Korea and suggested that the Communist government there views them as part of its strategy to reunify the country by force.

Mr. Chun stressed military tensions and said the North has developed a "seven-day war concept" to blitz the South. He cited new weapons and military cooperation the North is receiving from the Soviet Union.

"In short, the threat of war is real," he said.

His statements came as talks between the two intensely hostile governments have again been suspended. The North cut them off on the ground that joint military maneuvers were being conducted by the United States and South Korea poison the atmosphere for détente. The United States maintains 40,000 troops in the South.

Mr. Chun said Moscow was taking a more active military role in Asia and that North Korea would be an attractive acquisition to its strategic designs in the region. China, in contrast, is exercising a moderating influence on North Korea, he suggested.

Mr. Chun made his remarks in an interview with the presidential spokesman in Seoul with Katherine Graham, chairman of the board of The Washington Post Co., and journalists from The Washington Post and Newsweek magazine.

In other points, Mr. Chun: Said he would step down in 1988 after seven years in office before the end of the decade election to provide for direct election of the president.

A spokesman criticized that his government harasses its opponents. He said the National Assembly was so free that opposition members took part at times in "free-for-all" sessions.

Reiterated an invitation to North Korea to attend the summer Olympic Games, which are to be held in Seoul in 1988.

Called on the non-Communist world to reject protectionism.

Mr. Chun devoted considerable time to analyzing the balance of forces on the Korean peninsula, which is one of the most heavily militarized regions in the world. He said North Korea now holds the edge.

Mr. Chun said the U.S. military had recently upgraded its estimates of North Korean troop strength from 440,000 to 580,000. The North has deployed more units near the demilitarized zone than divides the country and stockpiled about 520 tons of chemical-warfare agents, he said.

Mr. Chun said the Soviet Union had delivered 26 MiG-23 jets to North and was expected to raise the number to 50. He said two new MiG-29 fighters had been sent to the demilitarized zone and cited the reported recent delivery of Soviet-made SAM-3 anti-aircraft missiles.

He said North Korea and the Soviet Union have moved closer together militarily since the North's president, Kim Il Sung, visited Moscow in 1984. "Russian aircraft fly over North Korea airspace freely," he said. He also cited visits to North Korea ports by Soviet warships.

Mr. Chun said that Soviet aircraft regularly conduct tactical re-

(Continued on Page 2, Col. 1)

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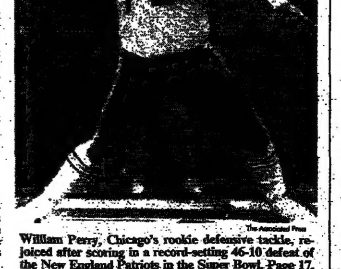
■ Medicare payments will be slowed because of cuts in the U.S. budget. Page 3.

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### TOMORROW

Ronald Reagan's closest neighbor used to be Earl Douglas Edwards Jr., who slept on the sidewalk in front of the White House as one of Washington's 5,000 to 10,000 street people.



William Perry, Chicago's rookie defensive tackle, rejoiced after scoring a record-setting 46-10 defeat of the New England Patriots in the Super Bowl. Page 17.

## Right's Freitas do Amaral Calls Voting in Portugal 'Extraordinarily Positive'

**LISBON** — Diogo Freitas do Amaral, the rightist candidate, began his campaign Monday for the second round of Portugal's presidential elections in a strong position to defeat the former prime minister, Mário Soares, a Socialist.

Mr. Freitas do Amaral, 44, narrowly missed winning a majority in the first round Sunday, gaining 46.3 percent of the vote to 25.3 percent for Mr. Soares.

The left's vote was split between Mr. Soares, 61, and two defeated candidates, Francisco Salgado Zenha, a dissident Socialist, and Maria de Lurdes Pintasilgo, a Roman Catholic with leftist views on social and economic issues.

"The results are extraordinarily positive and encouraging," Mr. Freitas do Amaral said after the first-round votes were counted.

Mr. Soares, who has led three governments since democracy was restored by the 1976 revolution, faces a struggle to get the radical left, and particularly the Communist Party, to support his moderate position. He is disliked by the Socialist-aligned Communist Party because of his anti-Communist stand following the coup.

The Communist Party, which normally commands 16 to 20 percent of the vote, told its members to vote for Mr. Zinha in order to defeat Mr. Freitas do Amaral and Mr. Soares, both of whom it labels right-wing.

Much will depend on how the Communists advise their supporters to vote in the second round, on Feb. 16.

Both defeated candidates helped Mr. Soares's chances by declaring that they will not vote for Mr. Freitas do Amaral, a law professor who has been the defense minister and the foreign minister in previous governments.

Since the revolution the left has been the stronger force in Portugal, but a victory for Mr. Freitas do Amaral would improve the position of the Social Democrats led by Prime Minister Aníbal Cavaco Silva. Mr. Cavaco Silva took office in November with a coalition government but lacks majority control of the legislature.

Although the president's powers are largely advisory, he has the au-

thority in certain circumstances to dismiss the government and can delay legislation.

For the first time in 60 years the president will be a civilian.

The outgoing president, General António Ramalho Eanes, has held office for two five-year terms and is constitutionally barred from running again.

General Eanes, who supported Mr. Salgado Zinha, had said that he wished to continue in politics, but hinted that his future would depend on the outcome of Mr. Salgado Zinha's candidacy.

In the only serious incident of the election, demonstrators stoned the Communist Party headquarters in the northern city of Oporto early Monday. Party leaders said the attackers were supporters of Mr. Freitas do Amaral, and that they dispersed after riot police arrived. No one was hurt.



Mr. Freitas do Amaral tossed his near-majority in the first round of the election.

## Success Requires Connections, Status, Soviet Economist Asserts in Newspaper

**By Philip Taubman**  
*New York Times Service*

**MOSCOW** — A leading Soviet economist has published an article asserting that economic opportunity in the Soviet Union is still determined to a large extent by a person's social status, connections and geographic location.

The article, published Thursday in *Sovetskaya Kul'tura*, a cultural newspaper, offered a less favorable assessment than the government's usual one about the Soviet Union's progress toward becoming the Soviet Union's social status, connections and geographic location.

The article, published Thursday in *Sovetskaya Kul'tura*, a cultural newspaper, offered a less favorable assessment than the government's usual one about the Soviet Union's progress toward becoming the Soviet Union's social status, connections and geographic location.

widely distributed in the Soviet Union.

Miss Zaslavskaya is a department head at the Institute of Economics and Industrial Organization, in the Siberian city of Novosibirsk. The institute is considered a center of unconventional economic thought.

Western diplomats said that Soviet *Sovetskaya Kul'tura*'s publication of the article earlier this month discussing the underpinnings of the Soviet system and the kinds of change required to revitalize the economy.

*Sovetskaya Kul'tura* printed an article earlier this month discussing the underpinnings of the Soviet system and the kinds of change required to revitalize the economy.

## Judge Is Said To Push for Bhopal Pact

**By Stuart Diamond**  
*New York Times Service*

**NEW YORK** — Attorneys for the Union Carbide Corp. and the Indian government, prodded by U.S. judges, have resumed active work on a settlement in the multi-billion-dollar litigation over the 1984 gas leak disaster in Bhopal, according to sources close to the case.

The two sides are still far apart on the central issue of money.

Sources said, Union Carbide, the majority owner of the Bhopal plant in India, has stuck with its offer of \$240 million, although its officials last summer informally mentioned the figure of \$400 million.

The Indian government wants \$700 million, the sources said.

U.S. District Judge John F. Keenan, who presides in Manhattan, has told the parties that he will delay a decision on whether the trial should be held in India or the United States until both sides make a stronger offer to settle, legal sources said.

## Arafat Meets Hussein to Reformulate Peace Effort

*The Associated Press*

**AMMAN, Jordan** — King Hussein and Yasser Arafat, leader of the Palestine Liberation Organization, are discussing a "new formula" for their peace-seeking effort that would meet some U.S. conditions while insisting on Palestinian self-determination, a highly placed PLO source said Monday.

The source, who insisted on anonymity, said that the meetings have been the most important since Feb. 11, when the two leaders agreed to initiate a new peace effort.

Mr. Arafat met with Hussein twice on Sunday night, and on Monday with the king and Prime Minister Zaid al-Rifai. The source said the talks would end Saturday.

## WORLD BRIEFS

### 8 Die in South African Tribal Clash

**DURBAN, South Africa** (Reuters) — At least eight persons were killed in a clash between Zulu and Pondo tribesmen, South African police said Monday. The fighting broke out Saturday after the death of a woman in Umtata, south of Durban.

Tension between the groups flared last week about 18 miles (30 kilometers) from Saturday's battle site, but the police spokesman said that he did not know to which tribe the eight latest victims belonged or how many people had been involved.

### Azcona Takes Office in Honduras

**TEGUCIGALPA, Honduras** (AP) — José Azcona Hoyo was sworn in Monday as the 75th president of Honduras and promised to work for social and economic development in the country, one of the poorest in the Western Hemisphere.

The ceremony took place in Tegucigalpa's sports stadium, swarmed by a crowd that had more than 40,000 spectators shivering. "To the United States, we reaffirm our friendship," Mr. Azcona said in his inaugural address, "and vow to work for pluralistic, participatory democracy."

The address, and "vow to work for pluralistic, participatory democracy" in military has led Honduras or has demonstrated civilian governments in recent decades, and Mr. Azcona is expected to rely heavily on the military and the United States for support.

### Gemayel Faces New Crisis in Lebanon

**BEIRUT** (Reuters) — President Amine Gemayel of Lebanon faced a new crisis Monday after his cabinet failed to respond to a summons to discuss a Syrian-appointed emergency law.

Only three of the nine ministers responded to his plea by taking their seats at the presidential palace at Baabda, sources said. Mr. Gemayel had asked the cabinet to meet, for the first time in five months, to reform the government.

The request for a meeting, made Sunday, was promptly rebuffed by Muslim leaders. Other Muslim sources said it was simply a ploy to gain time and head off plans to depose the president, a Maronite Christian.

### Lange Accuses Officers of Disloyalty

**WELLINGTON, New Zealand** (AP) — Prime Minister David Lange of New Zealand accused some military officers Monday of disloyalty and making false allegations about the government's military policy because they opposed his stand against nuclear weapons.

Mr. Lange said at a news conference, "There are disloyal officers in the Ministry of Defense because they are given to leaking information to the media." He did not identify the officers. Mr. Lange said the officers' actions were "disloyal" and "unacceptable."

Defense Minister Frank O'Flynn said in a statement: "From the first, the government's policy of not allowing nuclear weapons into New Zealand was unpalatable to the defense establishment generally. Disloyal rumors have been spread in opposition when the United States is accused of repression, progressively cut off all the forms of conventional defense co-operation with New Zealand."



David Lange

### Walesa Ordered to Stand Trial Feb. 11

**WARSAW** (UPI) — One of the founders of Solidarity, Lech Walesa, was ordered Monday to appear in court in Gdansk on Feb. 11 to stand on charges of slander for questioning official election results, his wife said.

A summons setting trial dates of Feb. 11, 12, 14 and 17 arrived at Mr. Walesa's Gdansk apartment where he was traveling to the northern city of Gdansk to campaign for reelection by a state prosecutor in another case, according to his wife, Danusia.

Mr. Walesa has been indicted on charges of slandering the election commission by questioning official turnout figures for last year's parliamentary elections. The trial will be held in a criminal court in Gdansk.

### For the Record

**Pope John Paul II** will avoid the issue of birth control when he visits India Feb. 1-10, according to a spokesman of the Holy See. The pope's condemnation of artificial birth control contrasts with the Indian government's encouragement of modern methods to contain a population of about 750 million.

**Japan** must abandon the notion that it is "catching up with the other major countries" and help in "bearing the costs of preserving world peace and prosperity," Foreign Minister Shunro Abe said Monday. (Reuters)

**Anna Hauptmann** lost an appeal to the U.S. Supreme Court on Monday in which she contended that her husband, Richard Hauptmann, was innocent of kidnapping and murdering the infant son of the late aviator Charles A. Lindbergh. Hauptmann was executed 50 years ago in New Jersey.

## Japan's Buy-U.S. Campaign Hits Several Snags

**By Susan Chira**  
*New York Times Service*

**TOKYO** — Noriko Takemoto remembers her prime minister talking on television in April and asking the Japanese to buy more foreign goods. But the request had no effect on her shopping.

"I don't worry very much about the national economy," the 35-year-old woman said. "I worry more about how to find cheaper vegetables. I remember the prime minister pleading with people to buy imports, but I just can't connect my life and his plan."

That mirrors the general reaction to the import drive begun by Prime Minister Yasuhiro Nakasone. For the United States, the results seem particularly moderate, weighed against its estimated \$50 billion trade surplus with Japan. The problem, according to Japanese and U.S. officials, is that campaigns alone cannot address the larger reasons that determine what people or corporations buy.

Japanese consumers still look to Europe for most of the luxury imports they buy and to home for the necessities. Corporations still feel bound to a longstanding network of suppliers. Both groups still nurse doubts about the quality and service of U.S. goods. Nor is it easy to get credit, pass government regulations, through distribution channels and into stores.

Nor are prospects good for a quick rise in imports. Japanese economists are predicting that the economy will slow in the coming months.

Nevertheless, the Japanese run the import campaign with the sense of ceremony, and the occasional overkill, of promotional efforts here. The government has sponsored more than 2,000 import fairs, pushed major corporations to increase imports and plastered subway cars and trains with exhortatory posters.

The drive produced some results. Import fairs aimed at consumers scored the country's highest \$77 million. On the corporate side, 134 Japanese companies pledged to increase imports by \$7.4 billion, up 7.5 percent over the previous fiscal year.

The Ministry of International Trade and Industry could not offer a figure detailing import trends since the drive began nine months ago. But in 1985, overall imports declined by 1.2 percent, to \$129.5 billion, mostly because of lower prices for such important imports as oil. Imports of manufactured goods from the United States increased by \$600 million.

The 134 corporations that made import pledges were asked to step up imports reported plans to buy a total of \$104.6 billion of foreign goods, mostly this year.

But it is difficult to tell how many of the imports purchased under the program were

from the United States. Department stores do not break down their import sales into countries of origin.

A spokesman for the Takashimaya chain of department stores, which has been an active promoter of imports, said that 80 percent to 90 percent of the foreign goods it sold were from Europe.

Shinji Matsunaga, an official of the trade ministry who helped to supervise the import drive, estimated that about 20 percent of the foreign goods imported by corporations came from the United States, half in raw materials and half in manufactured products.

Among the imports are nearly \$3 billion in planes and Boeings, and a new jetliner from Douglas Corp., a \$7.5 million supercomputer from Cray Research Inc., \$5.7 million worth of computers from Wang Laboratories Corp. and five helicopters for \$15 million from Bell Helicopter.

Mr. Matsunaga said that many Japanese companies also had started in-house import drives.

Companies are working to change purchasing behavior, Mr. Matsunaga said.

Shinji Matsunaga, an official of the trade ministry who helped to supervise the import drive, estimated that about 20 percent of the foreign goods imported by corporations came from the United States, half in raw materials and half in manufactured products.

## Seoul Leader Sees Little Hope of Accord With North

(Continued from Page 1)

consensus over the demilitarized zone.

Mr. Chun depicted this activity as part of a larger Soviet design to increase its military influence in East Asia. He said a third of Mos-

cow's strategic forces are now in the region. He said that if the Soviet Union could take South Korea it could undercut U.S. strategic interests in the region.

"The aggressive policy stances of the two powers seem to coincide," he said, referring to North Korea and the Soviet Union.

He indicated that China, the North's other major ally, seems to be playing a moderating role on the peninsula.

He hoped the Chinese leadership will increase its influence in Pyongyang, "the North Korean capital," and "I think that can have the effect of preventing catastrophe in this region," he said.

Mr. Chun repeated his offer to meet with Mr. Kim but indicated that he was not optimistic that the two governments had been at odds for almost 40 years.

He said that he had been told words of Kim Jong Il, President Kim's son and heir-apparent to power in Pyongyang, that "South-North talks are a tactical step to a revolutionary goal, a strategy for revolution in South Korea and a union with North Korea."

"They feel these talks can help this goal," Mr. Chun said.

In 1984, North and South embarked on an exchange of talks, touching on politics, economic cooperation, family reunion and political subjects. Few analysts feel that any real progress has occurred, however.

Predicting that international pressure would mount on the North to resume the now-suspended talks, Mr. Chun said he would meet with Mr. Kim again later this year.

On domestic politics, Mr. Chun said he would leave office in 1988 as required by the constitution, which he enacted after seizing power as an army general in 1980 after the assassination of President Park Chung Hee. He then retired from the military to become president.

"We must set up a precedent of a president handing over his office peacefully to a successor," Mr. Chun said. "South Korea has never experienced such a transfer since it was founded as a republic in 1948, three years after Korea was divided into U.S. and Soviet occupation zones at the close of World War II."

Mr. Chun rejected calls from the chief opposition party for immediate amendment of the constitution to provide for the direct election of the president, rather than the current indirect electoral college system. Mr. Chun's opponents claim the college is open to manipulation by him and would allow him to choose a successor.

## Issue of Asian Weekly Is Banned by Indonesia

**JAKARTA** — The Jan. 23 issue of the Far Eastern Economic Review, which carried a story on the trial of a dissident and another on the cautious liberalization of government, has been banned in Indonesia, officials said Monday.

It was the third time in less than four months that the magazine has been banned. The Oct. 5 edition, carrying a story on the Indonesian army, and the Nov. 7 issue, with an article on Indonesia's upcoming election, also failed to appear on the streets.

**Issue of Asian Weekly Is Banned by Indonesia**

*Agence France-Press*

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## U.S. Prepares Red-Carpet Welcome For Guerrilla Leader From Angola

**By David B. Ottaway**  
*Washington Post Service*

**WASHINGTON** — In what is shaping up as a presumed, but not an announced, debate over U.S. policy toward Angola, Washington is preparing to lay host for two weeks to the man who stands in the center of the controversy — a burly, bearded guerrilla chieftain of combat-charged named Jonas Savimbi.

Heretofore by President Ronald Reagan as an enemy of the United States and embraced by communist regimes as the "Che Guevara of the right," Mr. Savimbi is valued as a "hero" by the Soviet and Cuban-backed Marxist government he has fought for a decade. To most of black Africa, he is a stooge of South Africa's white rulers.

Mr. Savimbi, the leader of the National Union for the Total Independence of Angola, or UNITA, is about to officially receive the blessings of the administration.

These will include the personal honorific of "President" and the Secretary of State George P. Shultz, who will help prepare on the Angolan rebel as the leader of a "new and constructive" movement.

Conservative groups, such as the Heritage Foundation, the American Conservative Union and the American Security Council, are cheering a welcome for Mr. Savimbi unlike anything Washington has seen for an African guerrilla leader.

After his arrival Tuesday, Mr. Savimbi will use the groups and other appearances as a platform

He also will make a close-door speech to State Department officials.

The question of whether Mr. Savimbi will receive U.S. aid remains hotly debated.

The White House has submitted to the House and Senate Intelligence Committees an initial plan for \$10 to \$15 million in covert military aid to be funneled to Mr. Savimbi through the Central Intelligence Agency.

Mr. Savimbi's supporters in Congress, however, want to see the administration's proposal from a covert to an overt program, partly because they object to the CIA's surreptitious involvement in the World conflict and partly because they favor a larger appropriation.

Mr. Savimbi has thus far proposed the administration's covert plan.

Both supporters and opponents of aid to Mr. Savimbi seem to agree on one thing: a decision to support him will have repercussions on U.S. foreign policy far beyond Angola's borders.

Advocates believe it will send a strong message to Moscow of the resolve to "roll back" Communism by aiding guerrillas fighting Soviet proxies in the Middle East and in the United States into a dam-aging alliance with South Africa, now UNITA's chief backer, and make the U.S. role in a natural modifier of the region's disputes impossible.

Chun Doo Hwan

The president expressed concern that world trade would be seriously harmed by protectionism. South Korea's industrialization, which has raised its official merchandise trade per capita income from \$82 in 1960 to about \$2,000 today, is a result of free trade, in contrast to Japan's.

He rejected comparisons of South Korea to Japan as unfair. He said his country has a gross national product one-fifth the size of Japan's, is a debtor and not a capital-exporting nation, and has a deficit in foreign trade, in contrast to Japan.

"I don't think it's right to say, 'Look at the Japanese, they've pushed them,'" Mr. Chun said.

Jonas Savimbi

from which to launch his plan for military and nonmilitary assistance from the United States.

Black, Manafort, Stone & Kelly, a public relations and lobbying firm with a \$600,000 contract to represent UNITA, is helping to stage-manage much of the visit with a goal of exposing him to "all segments" of the U.S. Congress and the public.

Mr. Savimbi, a spokesman for the firm said, it has arranged a whirlwind schedule of government and congressional appearances, as well as media and think tank appearances.

Mr. Savimbi's visit is the first of its kind since the administration's decision to support him. The visit is the first of its kind since the administration's decision to support him.

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# The Televised News Conference: Kennedy's Legacy Is Enduring

By Wayne King  
New York Times Service

WASHINGTON — It was a quarter of a century ago, but like almost everything else the young president did, it seems a moment frozen in time.

John F. Kennedy was 43 years old and it was his first news conference as president of the United States.

Perhaps more important from a historical perspective, it was also the first time a president held a full-blown, formal news conference before live television cameras.

The new president, a figure possessing a large measure of special grace and first wit, emerged from the Feb. 1 encounter, as Russell Baker of The New York Times put it the next day, as "a new star with a tremendous national appeal, the skill of a consummate showman."

For better or worse, presidential news conferences have never been the same.

At the same time that the televised news conference exposed the president to the

people, it sometimes became a vehicle for self-promotion, a stage-managed political commercial imparting not information but image.

True, reporters ask questions, but the president can call on whom he likes, often with a fine sense of who might provide relief and who might cause him grief. He can, and often does, ignore questions and give speeches instead.

Kennedy's live news conference was the culmination of a process of evolution, rather than a quantum leap into the new technology. President Dwight D. Eisenhower had allowed filming of his exchanges with the capital press corps, but never before had it been live.

James Hagerly, the press secretary who had persuaded Eisenhower to allow the cameras for the first time, nonetheless balked at going live with his boss, who seemed considerably to wander in a verbal chicken, should lose his way entirely and "misstep himself."

It was Eisenhower who, asked in his 1950 news conference on Aug. 24, 1960, for just one "major idea" instigated by his vice president, Richard M. Nixon, replied: "If you give me a week, I might think of one. I don't remember."

More recently, President Ronald Reagan

comparison with the gross national product. But nobody paid much attention because he described the Libyan leader, Colonel Muammar Qadhafi, as "Italy." That was a piece of verbal foolwork before the lights worthy of Kennedy, whose style Mr. Reagan admires.

The presidential news conference is fundamentally a phenomenon of the 20th century, traceable, according to a Commission on Presidential Press Conferences, to Theodore Roosevelt's habit of summoning reporters to the White House for occasional briefings, often while he was being shaved in the morning.

Franklin D. Roosevelt, at his first news conference on March 8, 1933, told the assembled reporters that he hoped "these conferences are going to be merely enlarged editions of the kind of very delightful family conferences I have been holding in Albany for the last four years."

Taping and filming eliminated off-the-

record answers, and Kennedy's decision for live cameras made immediate answers mandatory. No longer could a president simply say, "Hold on, I'll need a minute to call the secretary of state on this."

Thus, say critics, the air of immediacy and give-and-take given by live televised news conferences is largely illusory.

The private panel that studied news conferences in 1981 also said: "What many in the press regarded as deceptions, as with Lyndon B. Johnson's reports about the Vietnam War and Mr. Nixon's duplicities about Watergate, raised a curtain of distrust between the president and the press. If the role of the news media in their relationship to the White House had hitherto been adversarial, it is now becoming downright antagonistic."

Thus, while presidents seem more visible, they are less accessible. Franklin Roosevelt averaged 6.9 news conferences a month, Truman 3.4, Eisenhower 2.1, Kennedy 1.9, Johnson 2.2, Nixon 0.5, Ford 1.3, Carter 1.2 and Reagan 0.5.



John F. Kennedy

## Budget Cuts Will Delay Medicare Payments

By Robert Pear  
New York Times Service

WASHINGTON — Medicare payments to doctors, hospitals and beneficiaries will be delayed this year because of budget cuts sought by the Reagan administration and approved by Congress, according to federal health officials.

Kevin Moley, a Medicare official, said the average time required to pay physicians and hospitals, now 21 days, would grow to 34 days by September. The average time required to pay hospitals will increase to 30 days from 20, he said.

Mr. Moley spoke in response to inquiries prompted by complaints from Blue Cross and Blue Shield and commercial health insurers, who said they had already noticed a delay in Medicare payments. Mr. Moley supervises Medicare operations as acting associate administrator of the Federal Health Care Financing Administration.

He said the delays in paying claims were unavoidable, given the amount of money appropriated by

Congress to process the claims and the automatic cuts scheduled to occur March 1 under the new budget-balancing law.

"We are not crying wolf," he said. "We hope the delays will be understood as part of the administration's overall effort to deal with the deficit."

Medicare provides health insurance for 30 million elderly or disabled people. It will pay \$45 billion claims this year through its contractors, mostly Blue Cross and Blue Shield plans, Medicare officials said. The contractors process claims and calculate payments.

John C. Kothe, legislative director of the American Association of Retired Persons, a private nonprofit group with 21 million members, said contractors were "very upset about the delays and do not understand why it takes so long to get their money when in past years they got better service."

Mr. Moley said a "beneficial side effect" of the delays was that the Medicare trust fund would earn more from its investments as a result of the lag in paying claims, because the money would remain longer in the trust fund.

Construction Plans Upset

Plans for large construction projects by state and local governments around the country are being disrupted by provisions in the federal tax bill, approved by the House last month, which severely restricts use of municipal bonds.

An eminent Greek jurist, he suffered a stroke during a session of the rights court Friday. Mr. Evrigenis was a member of several international tribunals, including the International Court of Justice in The Hague. He had been a member of the Strasbourg court since 1975.

Mr. Evrigenis was elected to the European Parliament in 1984 and joined the Christian Democrats political faction. He was the author of the Parliament's recent report on the rise of racism in Western Europe.

Stephen D. Kertesz, 81, Expert on Diplomacy

SOUTH BEND, Indiana (AP) — Stephen D. Kertesz, 81, an expert on contemporary diplomacy in Western Europe, died Sunday after suffering a heart attack earlier this month.

Mr. Kertesz joined the Hungarian Foreign Ministry in 1931 and was imprisoned when Germany was allied with Hungary in World War II. He came to the United States in 1948 after the Communists took power.

A professor emeritus at the University of Notre Dame, Mr. Kertesz published dozens of articles and five books. He retired from Notre Dame in 1979.

Other deaths:

Joe Hyman, 51, a U.S. Olympic volleyball silver medalist in 1954, Friday after suffering a heart attack during a match in western Japan, hospital officials said. (UPI)

James J. Martin, 54, a former deputy police commissioner in Philadelphia and the highest-ranking officer convicted in the FBI's investigation into city police graft, Saturday of cancer. (AP)

Katherine Harle Putnam, 95, a prize-winning poodle breeder, in Manchester, New Hampshire, Friday after a brief illness.

## FAA Orders Quick Repair Of Jet Engines

By Richard Witkin  
New York Times Service

NEW YORK — The Federal Aviation Administration has issued an emergency order requiring prompt repair of 27 jet engines that it said had been improperly overhauled by a Miami maintenance company.

Another 78 engines will have to undergo special inspection soon to see if they need repairs.

The engine parts involved are combustion chambers of Pratt & Whitney JT8D engines, which power over half the airliners built in the non-Communist world. It was the explosive failure of a JT8D combustion chamber that led to a fire on a Boeing 737 taking off from Manchester, England, in August, killing 55 of the 137 people on board.

Pratt & Whitney is a division of United Technologies Corp.

The survey is the first broad check of engine facilities ever conducted by the agency. It was ordered primarily in response to a series of accidents related to the JT8D engine, including the Manchester accident. But the inspections are covering repair programs for all other major engines as well.

The engines affected by the agency's order issued Friday, according to agency officials, were all overhauled by AeroThrust Corp. of Miami. They are on airlines belonging to 23 private operators and to the air force, navy and the FAA itself. Most of the private operators are small airlines in the United States and abroad.

AeroThrust had hired a subcontractor to make X-rays to check for cracks in the combustion chambers. But AeroThrust failed to refer to the X-rays and returned 105 engines to customers without replacing cracked combustion chambers or repairing some small cracks, the agency said. There have been no mishaps so far attributed to the engines.

James L. Helms, AeroThrust's vice president for marketing, said: "We should have read the X-rays and taken appropriate action. We didn't, and we didn't take action on what the X-rays showed. The cracks were not that deep, and would not normally progress to any great problem."

AeroThrust officials said they caught the problem in December while complying with recommendations of Pratt & Whitney after the Manchester accident.

## New York's Mayor Calls Queens Official a 'Crook'

By Michael Oreskes  
New York Times Service

NEW YORK — Mayor Edward I. Koch has called Donald R. Manes, the Queens borough president, a "crook" and intensified his calls for him to resign amid a widening investigation into charges of corruption in city contracts.

Mr. Koch made his comments Sunday, the first day that Mr. Manes spent at home since his release from the hospital after 16 days of treatment for severe ankle and wrist cuts sustained in an apparent suicide attempt and for a heart attack he suffered on the operating table.

Mr. Manes was isolated in his home, took no phone calls and continued his silence about allegations that he had sold city contracts to friends and government officials.

Friends and government officials said they did not even know if Mr. Manes was aware of the demands for his resignation.

The allegations against Mr. Manes, who has not been charged with any crime, have been made to federal investigators by executives of debt-collection companies who say they had to make payoffs to win contracts from the city's Parking Violations Bureau to collect unpaid parking tickets.

Mr. Koch used stronger language in discussing Mr. Manes's situation. "I am convinced now that he engaged in being a crook," the mayor said.

Asked how he could say that when there had been no formal charges lodged against Mr. Manes, the mayor said: "I am simply saying that's my judgment in the court of public opinion."

The governor said that "it's important that we behave firmly, persistently, but also fairly." He added that the case could be resolved quickly if Mr. Manes, who is also the Democratic Party chairman of Queens, decided on his own that he could no longer perform his duties.

"I'd be surprised if that doesn't solve it," Mr. Cuomo said.

The allegations have been widely reported in the past week, but Mr. Manes has reportedly been insulated from most information about the controversy.

"To the best of my knowledge, he hasn't seen a newspaper or a telecast," said Sid Davidoff, a longtime friend and adviser.



Donald R. Manes

Mr. Manes maintained at first that his cuts were inflicted by two men who tried to kidnap him. He acknowledged last week at a news conference that he had inflicted his wounds, but Mr. Manes has had no public response to allegations that he solicited bribes or to Mr. Koch's demands that he resign as Borough president of Queens, a post he has held for 13 years.

The political furor was triggered by investigations into the city's Parking Violations Bureau.

A federal grand jury in Manhattan is scheduled to resume hearing testimony Monday.

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## Carpet Welcomes Her From Angola

SAO PAULO, Brazil (AP) — A 10-year-old girl, a former slave of a Portuguese plantation in Angola, was welcomed home by a carpet in Sao Paulo, Brazil, Sunday.

The girl, who was named Maria, was found by a Brazilian police officer in a village in Angola. She was brought to Sao Paulo and placed in the care of her relatives.

She was found in a village in Angola, where she had been living for many years. She was brought to Sao Paulo and placed in the care of her relatives.

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# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

## The Truth About Marcos

Politicians, being mortal, often concoct fictions about their past, but for creative audacity Ferdinand Marcos is non-parallel. Out of military archives comes evidence that he fabricated his World War II heroism, invented a whole guerrilla army and may have collaborated with Japanese occupiers. And in the twilight of a charmed career, President Marcos is gazing for a final whopper: the claim that the people of the Philippines have embraced him in a "free and fair" vote on Feb. 7.

That is how he undoubtedly hopes to defeat U.S. pressure for a return to genuine democracy. But in calling a hurried election he did not reckon on a unified opposition and the crowds now acclaiming his candidate, Corason Aquino, no. Facing a real challenge, he has kept her off state-run television and shunned public appearances that would expose his failing health. To purchase votes he has slashed consumer prices and raises wages. Shamelessly he threatens to jail any foreign observers who come within 50 meters of the polls — this is a country where government is a crime.

Friends of the Philippines can only hope that these machinations will finally prove futile. A fraudulent state will not regain America's respect or relieve the fears of foreign leaders. It will not restore the morale of soldiers disgusted by the corruption that makes General Fabian Ver the chief of staff and only feeds a spreading Communist insurgency. Mr. Marcos's indecent rule promises only new turbulence culminating in a presidential spectacle the midnight end of president and first lady, their bodies crumpled with ill-gotten wealth.

As if anticipating that end, the Marcoses have been diligently exporting a fortune. A

bitter and dying Carlos Romulo, for 16 years their loyal foreign minister, told a recent visitor, "They are stealing us blind." A subcommittee of the U.S. House of Representatives has heard credible testimony that Imelda Marcos has acquired 400 Manhattan properties worth \$350 million. Given the scale of American aid, one may wonder about the source of this money and about the lack of faith that such flights might bring.

Still, the most startling disclosure about Ferdinand Marcos surfaced by chance and deals with events in his generation age. An American scholar has come upon files disproving the claims that Mr. Marcos led a guerrilla force against Japanese occupation in World War II. This supposed heroism has been central to the Marcos myth; his fidelity to the United States has been the stuff of a thousand toasts.

At the time, Mr. Marcos was reported on Thursday, diligent research by the U.S. Army found the claims "fraudulent" and "absurd." Documents cited by The Washington Post add a new chapter to the story of the Marcoses, who have collaborated with the president installed by the Japanese, Jose P. Laurel — the father, as it happens, of Mrs. Aquino's husband.

Many prominent Filipinos expeditiously welcomed Japan as an Asiatic liberator, but Mr. Marcos has always insisted that he was not among them. No one has explained why the crucial documents were so selectively revealed. The matter arises out of ventilation of the 1972 vote, considered almost assured a fair and free election, but they can perhaps give the Philippine people the evidence they need to judge the Marcos character.

—THE NEW YORK TIMES

## Peace Still Has Priority

This is, again, a nervous moment in the Middle East. The Reagan administration, having spent a frustrating fortnight trying to rally the European allies to apply tougher economic sanctions against Libya, is notching up the military pressure on its own. It is not that there is evidence that the U.S. government is eager to take a crack at Muammar Qadhafi; so much the family quarrel. It is the evidence that the Libyans are still there to be seen. Rather, the reasoning seems to be that the allies had an opportunity to contribute to U.S. policy by joining collective action in 1983 in the magazine. Physics Today, the labs don't want to design them that way. Designers have always worked with the assumption that tests will never be forbidden, and so they can argue that they need tests to ratify their choice of design. If it were banned, the lab directors say, the designers would drift off to other jobs in boredom and frustration. The Libyans are detestable and expert. Is the real reason for continued testing then to give weapons designers something to do? It is a question of a ban. It is because the Libyans might cheat no matter how effective the verification system. The Libyans would send experienced people to catch up fast.

It is probably just as well that the Europeans were not consulted on their unwillingness to join the United States on the military front. It is hard to believe that any of them would have agreed, and the refusal would have brought Washington further embarrassment. As it is, the situation is uncomfortable enough. The administration had, in Abu Nidal's Rome and Vienna raids, as good a case for tightening the screws on his patronage in Libya as the most tenuous of real life. Its appeals on sanctions were not strident or extreme, but the Europeans are coming along. While Colonel Qadhafi has made a defiance of the United States a pan-Arab cause, the United States is having to deal with him alone.

It is not apparent that the U.S. naval maneuvers in the Mediterranean. The official word is that the Sixth Fleet is merely exercising the American right to move about in international waters. But there is no question about it — and that there is no intent to provoke or bloody Libya. The question is whether Colonel Qadhafi, who says the United States is "playing

with fire," will respond in the stated American spirit of legality and ineffectiveness. His credibility as a terrorist is all too well established. The Russians have their own large role in this war of nerves. Their past patronage in the military pressure on its own. It is not that there is evidence that the U.S. government is eager to take a crack at Muammar Qadhafi; so much the family quarrel. It is the evidence that the Libyans are still there to be seen. Rather, the reasoning seems to be that the allies had an opportunity to contribute to U.S. policy by joining collective action in 1983 in the magazine. Physics Today, the labs don't want to design them that way. Designers have always worked with the assumption that tests will never be forbidden, and so they can argue that they need tests to ratify their choice of design. If it were banned, the lab directors say, the designers would drift off to other jobs in boredom and frustration. The Libyans are detestable and expert. Is the real reason for continued testing then to give weapons designers something to do? It is a question of a ban. It is because the Libyans might cheat no matter how effective the verification system. The Libyans would send experienced people to catch up fast.

Whether, at this new and higher level of American-Libyan tension, Moscow is restraining the Libyans or the Libyans are restraining the U.S. is unclear. But certainly Moscow is not limiting its own policy out of any desire to cultivate better relations with Washington. The opposite may have more truth. Moscow may want to show at a moment of superpower negotiations on strategic arms that it is standing solidly behind a threatened ally. The United States, however, cannot afford to let its struggle against terrorism be overwhelmed by its differences with Libya. That given the Qadhafis of the world too much to do with their hands. In short, the U.S. State Department's man for the Middle East, Richard Murphy, has been on the road again, cautiously exploring whether it is possible to meet with the Libyans and discuss the question of a negotiation. This quest would be essential even if terrorism were not the concern it is. It is the way American policy must go.

—THE WASHINGTON POST

## Other Opinion

### The Socialist Church Empties

The socialist era almost everywhere appears to be coming to its end.

In Italy the Communist left is the prisoner of its institutions and its history, unable to come to terms with the political center or to adapt to the changes which are taking place in society. In France socialism proved quickly to be incompatible with modernization and the left is in disarray and has either a social democratic future or none at all.

Even where socialism has been the established order, as in Germany, the decline of the working class and the gradual emergence of the post-industrial society is making it increasingly difficult to recruit young voters on the left. Only in Scandinavia is social democracy entrenched and there it has the advantage of being the dominant force. The problem is everywhere the same: there exists no longer either the class base or the moral imperative for a socialist society. The

idea which has gripped the European mind for more than a century has run its course. A product of the confluence of industrialization and modernization, the idea of socialism took hold at the moment when God was pronounced dead and politics was aspiring to be the universal science. It is a quasi-religious creed that socialism lives on today, the priesthood remaining as the congregation departs.

—Peter Jenkins in The Sunday Times (London)

### Arab Solidarity With Qadhafi

Arab solidarity with Libya is based on the fact that however great the rifts dividing the Arab states they continue to regard themselves as a single community. Any threat to one side banishes differences into the background and compels the governments concerned to act in concert. This is the case with Qadhafi. His solidarity is for the time being purely verbal, but then so is the threat to Libya.

—Neue Zürcher Zeitung (Zurich)

## FROM OUR JAN. 28 PAGES, 75 AND 50 YEARS AGO

**1911: British Force May Pick Cairo**  
LONDON — Some important developments, the "Pail Mail Gazette," says, are contemplated in the character of the British occupation of Egypt, tending to the increase in importance of Cairo as a military center of the Mediterranean and the British possessions and protectorates contiguous thereto. The unsuitability of Malta as the center of the Mediterranean command has been increasingly apparent, and a change in the disposition of the military authority has been expected for some time. It is suggested, Cairo was selected. The British forces in Egypt would be increased from the present 6,500 to some larger force sufficient to provide a mobile force for the protection of British interests in Egypt proper, but also for the defense of the southern Sudan.

**1936: War Veterans Obtain Bonus**  
WASHINGTON — Following the lead of the House of Representatives, the Senate [Jan. 27] overrode President Roosevelt's veto of the \$2,270,000,000 "bonus bill" passed by the House in 1924, thus ending the 12-year fight for payment of the World War veterans' bonus. As soon as the Senate's action was completed the measure became law. Accepting defeat good-naturedly, President Roosevelt offered the Treasury Department's Administration to provide payment "as expeditiously as possible." The White House statement called attention to the fact that "more than 7,000,000 interest calculations will be necessary. It will require between 2,500 and 3,000 additional person working approximately six months to do the job."

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## A 'Marshall Plan II' for European Defense

By Christopher Layne

LOS ANGELES — Noomores live advocates of the Reagan doctrine call for extending foreign commitments at a time when the U.S. overextends and economic circumstances require their reduction. America is in no position to afford the kind of global commitments that a Reagan doctrine calls for.

For example, the American share of total world manufacturing production has declined from 25 percent in 1945 and 44.7 percent in 1953 to 31.5 percent today, and it could fall to 20 percent by the end of the century. Despite this decline in power relative to the rest of the world, in the last six years America's commitments abroad have actually increased as it has incurred new responsibilities in the Gulf region and Central America.

America's decline and its current economic predicament are symbolized by the budget deficit, which attests to an inability to set priorities and live within the country's means. Defense and strategic extension are two sides of the same coin. Taken together they indicate that as support at home and abroad have outstripped America's ability or willingness — to pay for them.

The budget deficit endangers America's economic well-being; unless it is cut the country faces higher inflation, higher unemployment, and a steadily increasing deficit. Many meaningful deficit reduction efforts are in progress, but the crucial documents were so selectively revealed. The matter arises out of ventilation of the 1972 vote, considered almost assured a fair and free election, but they can perhaps give the Philippine people the evidence they need to judge the Marcos character.

As New Hampshire's Republican Governor, Richard Rodden, recently said, deficit reduction will force the Pentagon to think carefully about how it allocates the funds available to it. To preserve essential programs like strategic nuclear force modernization, the Strategic Defense Initiative, and the naval buildup, America must cut back overseas commitments. The first objective of defense policy must be to compel Western Europe to do much more in the world so that America can do much less.

Although the economy of NATO Western Europe compares favorably with America's, the distribution of military responsibilities reflects the conditions of 40 years ago. Individually the NATO countries spend considerably less of their GNP on defense than America does. More to the point: According to a recent Pentagon study, the U.S. commitment to NATO accounts for some 58 percent of America's own defense budget.

The architects of the Atlantic Alliance never envisioned that the United States would be committed to European defense in perpetuity. The time has come to devote to Europe full responsibility for its own defense. What Washington needs — and what real conservatives should offer — is a sequel to the Marshall Plan.

That far-sighted program helped Western Europe to recover its economic independence after World War II. The Marshall Plan II would build on Western Europe's economic strength and allow it to become politically and militarily independent.

Europe unquestionably has the capability to defend itself, but it finds the Atlantic status quo comfortable. Marshall Plan II would give Europe the incentive — which they lack as long as they remain under the U.S. umbrella — to transform their resources into real military power.

In order to avoid leaving Western Europe in the cold, Washington should set a firm timetable for a phased U.S. withdrawal — perhaps over 10 years — coupled, as an invitation to Western Europe to formulate its post-Atlantic defense plans. Washington would give the Europeans the assistance they need to implement those plans. But when the transition period ended, U.S. defense commitments would terminate.

Unlike their elders, real conservatives of America's successor generation do not have a sentimentalized view of the Western alliance. Because geopolitical circumstances change, alliances never last forever.

NATO is unraveling because the United States and Western Europe have very different perceptions of the Soviet threat and are divided by serious disagreements of their respective political, strategic and economic interests.

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## Why Resist A Nuclear Test Ban?

By Flora Lewis

GENEVA — Michael Corbridge has extended the Soviet moratorium on nuclear testing for three months until the end of March, to induce the United States to stop testing. A resolution in the House of Representatives calling on the Reagan administration to resume negotiations for a complete nuclear test ban has 207 congressional co-sponsors and is sure of passage. The Senate has passed a similar resolution.

Since 1963 the United States has repeatedly committed itself by treaty to negotiate a permanent ban on all nuclear tests, but the Reagan administration has broken off talks with Moscow over the issue and clearly does not want to start them again. It is apparently all the more reluctant now because the Russians are making it clear that they are not willing to accept offers for inspection and verification. It is not intruded by this new flexibility on what was always called a very sticky stumbling block.

Why? There are layers on layers in the arguments against giving up the clear explosion and underground only remaining legal possibility. The current favorite is to develop the X-ray laser, which would be fueled by a nuclear explosion. Beyond that is the argument that American nuclear tests are necessary to deter the Soviet Union from testing. They could be, but as the Livermore physicist Hugh E. Delmer pointed out in 1983 in the magazine. Physics Today, the labs don't want to design them that way. Designers have always worked with the assumption that tests will never be forbidden, and so they can argue that they need tests to ratify their choice of design. If it were banned, the lab directors say, the designers would drift off to other jobs in boredom and frustration. The Libyans are detestable and expert. Is the real reason for continued testing then to give weapons designers something to do? It is a question of a ban. It is because the Libyans might cheat no matter how effective the verification system. The Libyans would send experienced people to catch up fast.

As the weapons laboratories and elsewhere brushed aside the point that the Russians would be faced with the same uncertainty about their weapons, which would make them less likely to try a surprise attack. The Libyans are detestable and expert. Is the real reason for continued testing then to give weapons designers something to do? It is a question of a ban. It is because the Libyans might cheat no matter how effective the verification system. The Libyans would send experienced people to catch up fast.

Besides, some argue, if America wants to move away from nuclear weapons, it must be demonstrably and vulnerably toward one-wayward missiles like the Midgetman, it could say, but then their tests would be required depends on Pentagon specifications for the missile. The Pentagon has deliberately divided in deciding what it wants, and does not seem to want Midgetman.

As you probe down and down through the nuclear arms race, the basic emerges. It is that the United States needs to keep "all its options," needs to have the choice to make different and better nuclear weapons when a new idea comes along.

And that leads to the core question. Even as it negotiates with Moscow to destroy a large percentage of existing weapons on both sides, does America still want to keep building more kinds of nuclear arms or are there more than enough in the world? While a comprehensive test ban would not guarantee that no more countries are going to become avowed nuclear powers, it would be a step toward proliferation. In the Soviet Union, the United States and Britain, which were negotiating a test ban, agreed to renounce all testing immediately, any test by a new country would provoke world outrage and possibly sanctions.

There are compelling reasons for a ban that can be adequately verified. It would go a long way toward stopping the nuclear arms race. But it is obvious that the administration refuses to take the initiative. So it is up to Congress — which has proved that it is not — effectively on arms control by making a law banning U.S. tests of anti-satellite weapons. As long as the Russians do not test them, that is an important start. The next step is to press for a ban on all nuclear tests.

The New York Times

And what can "non-demonstrative origins" mean, given that the U.S. polled 16.32 percent of the faculty vote and 16.62 percent of the student vote for the decision of the Council National de l'Enseignement Supérieur et de la Recherche, the most important of the university decisions?

JACQUES ROUBOT, UNL, Paris



## New Protests Reported In Haiti as Duvalier Makes Shifts in Military

By Flora Lewis

PORT AU PRINCE, Haiti—President Jean-Claude Duvalier has made major shifts in his military leadership, including the disbanding of the political police and the replacement of several of his top commanders, according to a government spokesman.

Meanwhile, new protests broke out Sunday in Cap-Haitien, the country's second largest city, where students shouting anti-Duvalier slogans clashed with police and soldiers for several hours.

The political crisis, the worst since Mr. Duvalier took power in 1971, began on Nov. 28 when the replacement of the army's chief of staff was announced. Further demonstrations against the government followed, and, on Jan. 8, the government closed schools and universities after a student boycott.

The military reorganization, announced by Duvalier, included the replacement of the army's chief of staff, the navy, the air force, the presidential guard and the Leopards, the army's counterinsurgency force.

Colonel Cecilio Dérce was named to replace Colonel Willy Guillard as commander of the air force, Colonel Jean-Claude Lauranceau replaced Colonel Armand Bourcard as commander of the navy and coast guard, Colonel Fritz Rousset replaced Colonel Raymond Cahard as commander of the Leopards, and Colonel Jean-Claude Paul was named commander of the presidential guard.

Mr. Duvalier also announced the resignation of 11 high-ranking army officers and recalled to active duty four officers who were retired in 1982 by Roger Lafontant, then minister of the interior and armed forces, who has fallen into disfavor and has been sent into exile in Canada.

## EC Agrees To Measures On Terrorism

(Continued from Page 1)

nor can they expect to have normal relations" with the community, it made the members of the U.S. delegation for economic sanctions against Libya.

EC sources said that Greece, Italy, France and Spain had agreed to support the meeting to name Libya as a country supporting terrorism.

Giulio Andreotti, Italy's foreign minister, said after the meeting that his country was not opposed in principle to naming Libya, but that it was well known what country the EC declaration was referring to because of the U.S. campaign against Libya.

The foreign ministers also agreed "to do everything within their power" to prevent businesses of their countries from manufacturing weapons taken by other countries "in reaction to terrorist attacks."

This action apparently was taken in response to a request from European nations not take advantage of the gap in a Libyan trade left by the U.S. embargo.

The foreign ministers also said they would step up efforts to improve security at airports, railway stations and ports, to combat abuses of diplomatic immunity and to tighten policies on visas.

U.S. Jets Sight Libya's A21-ship U.S. armada off Libya encountered rough weather Monday in the choppy Mediterranean Sea and the Soviet-built MIG-23 and MIG-25 interceptors, the officials said.

The ship of the U.S. 6th Fleet, which included the conventionally powered aircraft carrier *Conrad* and the *USS Zumwalt*, was seen by both carriers, operating within and just outside the Tripoli flight information region, but stayed away from the Libyan-claimed Gulf of Sidra, the officials said.

Maneuvers by the 14 warships, seven auxiliary vessels and two jets and two-prop aircraft began Friday in what the United States called a demonstration of resolve to continue operations in international airspace despite threats of retaliation by Colonel Qaddafi.

The Libyan leaders sailed into the Gulf Saturday in a patrol boat which they called the "line of death," but reportedly returned within several hours.

The changes were the latest of several made by the government since the outbreak of unrest last year.

An army captain and two militia members were arrested Sunday and accused of murder in the shooting of three students during anti-government demonstrations last year.

Haiti's political police, disbanded Sunday, has been accused of hundreds of disappearances and deaths by torture since its formation in the early 1960s by President Duvalier's father, François Duvalier.

The force, which numbered as many as 600 men, were drawn from both military and civilian ranks, originally named the High State Police, and was later renamed the Permanent Investigation Commission for the Desalines Barracks, a reference to the huge military barracks next to the presidential palace in Port-au-Prince.

It was a separate force from the Volunteers for National Security, a civilian militia that served as François Duvalier's private army and is sometimes known as the *Tonton Macoutes*, or bogymen.

The demonstration in Cap-Haitien on Sunday was one of the largest ever prior to the Duvalier regime.

Thousands of protesters, chanting "Down with Duvalier," moved outside of the Cap-Haitien stadium, accusing it of broadcasting only pro-Duvalier propaganda.

A few minor injuries, apparently from clabbings by soldiers, were reported. (AP, AFP, Reuters)

High Winds, Balley Bolt Delay Shuttle 3rd Time in 3 Days

(Continued from Page 1)

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The technicians were unable to remove the hatch handle because of the stuck bolt. They called for a drill, but it would not work because the hatch was too heavy.

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Sharon Christa McAuliffe and Ellison Onizuka boarded the Challenger space shuttle Monday but the flight was delayed by technical problems and high crosswinds.

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(Continued from Page 1)

## A Ballot Beats the Mob in Italian Village

By E.J. Dionne Jr.

New York Times Service

QUINDICI, Italy—For this village in southern Italy, it was as if the posse had galloped in on horseback to clean up the town.

But in Quindici, the posse was made up of local people who had decided to take over the town council. Their leader is a 55-year-old pharmacist, Olga Santaniello, who dresses in black, stands less than 5 feet (152 centimeters) tall and sooties at the idea of taking on mobsters' local control.

"It was just a great election," she said.

But it was to cheer from around the country that her coalition won this month's election, 834 votes to 667. Winning meant taking back a government that had been run for 15 years by friends of the Camorra, the organized-crime gang based in nearby Naples.

The victory in this village of 3,200 was extraordinary in other ways, too. For the Santaniello slate of 20 candidates brought together Christian Democrats and Communists.

—that is almost never done—plus Socialists and Republicans.

The Communists usually charge that the Christian Democrats have too many ties to the Camorra. The Christian Democrats usually rally against the Communists for being well-organized. This time, they fought side by side.

But brought them together was the legacy of the Quindici clan, which ran this town from 1960 until a few years ago when Sandro Pertini, then president of Italy, named one mayor after another for their ties to organized crime.

The first Quindici mayor, Carmine, was only 21 when he held office and was a poor and disaffected farmer and worker against the power of Rome's politicians and their parties.

Quindici, in the heart of Italy's hazardous-pooling region, produced fertile ground for an appeal to the downtrodden. For decades, the region's poverty had sucked immigrants to look for work abroad. The

way its pictures had been worked out.

The pictures revealed features less than a mile across. One reason for the sharp pictures was that the terrain was raised only about 15,000 miles from Miranda, but engineers also devised a way of holding the spacecraft still so that the solar system could take exposures for as long as 16 seconds.

Dr. Soderblom said many questions remained. "Was it part of a larger object? Was it ejected into fragments many years? We're kicking around embryonic notions about it." Give us at least 24 hours, and we'll try to come up with some answers."

The switch to the modern plants at Wapping, about 3 miles (5 kilometers) from the old plant and the Fleet Street area, and Glasgow sparked the strike Friday night by 4,000 production workers. Mr. Murdoch dismissed the workers.

The two newspapers are owned by Mr. Murdoch's News International, the largest newspaper group in Britain.

The Times, Mr. Murdoch's flagship, and the mass circulation Sun were not published Sunday, but News International used the plants to print its two Sunday newspapers.

The newspaper rejected the union's advice and voted on Sunday night by a 2-1 margin to work at the Wapping plant, which had resumed normal operations by 6 a.m. on Monday.

The Sun, Britain's best-selling daily, has a circulation of about 4.5 million. The 200-year-old Times has a circulation of about 250,000. It was not immediately known how many copies of each were printed on Monday.

The Wapping pressmen are being run by the electronics union. The plant is described as "bitter proof" because it is protected by barbed wire, spiked gates, high walls and the police.

The strike was called Friday by two print unions, the National Graphical Association and the Society of Graphical and Allied Trades. The two have a combined membership of about 6,000 at the old plants; about 500 workers run the presses at the new plants.

Nixon Hospitalized With Flu

MIAMI BEACH—Richard M. Nixon, 73, was admitted Monday to the Miami Heart Institute with influenza, his spokesman said. The former president was listed in satisfactory condition.

"Danger! We're facing danger," he told the voters.

But the audience seemed more sympathetic to the Marcos endgame. The speaker by Morsano, the do-eyed superstar of Filipino movies,

They may even proclaim martial law, he said. The Marcoses are an Aquino government.

"But we will fight them and there will be a bloody civil war," he said.

General Bangandiga, therefore, has been left to administer the bitter IMF medicine without either the sweetener of the IMF money or the IMF's stamp of approval that usually is a prerequisite for banks to rescind their loans.

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in the Lauro Valley, 35 miles (56 kilometers) from Naples, made it nearly perfect for criminals fleeing the law. Mr. Graziano was only too happy to provide friends with hideaways in the rugged mountains.

But the split in the Camorra took its toll on Mr. Graziano. In siding with Mr. Cutolo, he broke with traditional Camorra leaders, who at one point tried to kill him.

In the meantime, the judiciary was moving against the Cutolo group, and an arrest warrant was issued for Pasquale Raffaele Graziano in 1983. He fled, and was arrested last year in Geneva. He was convicted this year.

But in Quindici, the Graziano line continued. After Pasquale Raffaele came Eugenio Graziano. He, too, was arrested and thrown out of office by President Pertini. Carmine took over briefly, only to be ousted by the president, who returned last summer.

It was against this background that the Graziano's enemies formed their slate. For a symbol, they chose the leader of the resistance, the ticket known as La Bianca.

Their opponents abandoned the Graziano emblem, a tower, and ran instead under the name First Democratic Union. As their symbol, they chose a dove bearing an olive branch, La Colomba.

For the Camorra people, the election had nothing whatsoever to do with the Camorra.

There is no Camorra here, Evdina Santaniello insisted. For her, as for other Camorra supporters, the real issue was the other date included the Communists. "They are all Communists or Communist sympathizers," she said.

So strongly did she feel that she voted against her husband, Salvatore Santaniello, who ran on the Bianca slate.

If the name Santaniello seems to pop up a lot, that is the way things are in Quindici: a few names, many members of a family.

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LEATHER TRADE

Dailies Roll As Murdoch Defies Unions

(United Press International)

LONDON— Rupert Murdoch defied striking print workers Monday and ordered his newspapers to go to work.

The Sun newspapers at two computerized plants in London and Scotland.

Despite the successful press run, delivery problems forced hundreds of thousands of commuters to turn to Britain's seven other national dailies.

The switch to the modern plants at Wapping, about 3 miles (5 kilometers) from the old plant and the Fleet Street area, and Glasgow sparked the strike Friday night by 4,000 production workers. Mr. Murdoch dismissed the workers.

The two newspapers are owned by Mr. Murdoch's News International, the largest newspaper group in Britain.

The Times, Mr. Murdoch's flagship, and the mass circulation Sun were not published Sunday, but News International used the plants to print its two Sunday newspapers.

The newspaper rejected the union's advice and voted on Sunday night by a 2-1 margin to work at the Wapping plant, which had resumed normal operations by 6 a.m. on Monday.

The Sun, Britain's best-selling daily, has a circulation of about 4.5 million. The 200-year-old Times has a circulation of about 250,000. It was not immediately known how many copies of each were printed on Monday.

The Wapping pressmen are being run by the electronics union. The plant is described as "bitter proof" because it is protected by barbed wire, spiked gates, high walls and the police.

The strike was called Friday by two print unions, the National Graphical Association and the Society of Graphical and Allied Trades. The two have a combined membership of about 6,000 at the old plants; about 500 workers run the presses at the new plants.

Nixon Hospitalized With Flu

MIAMI BEACH—Richard M. Nixon, 73, was admitted Monday to the Miami Heart Institute with influenza, his spokesman said. The former president was listed in satisfactory condition.

"Danger! We're facing danger," he told the voters.

But the audience seemed more sympathetic to the Marcos endgame. The speaker by Morsano, the do-eyed superstar of Filipino movies,

They may even proclaim martial law, he said. The Marcoses are an Aquino government.

"But we will fight them and there will be a bloody civil war," he said.

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## TRAVEL IN ECUADOR

A SPECIAL REPORT

TUESDAY, JANUARY 28, 1986

Page 7

## A Country Of Varied Faces, Cultures

By William T. Vickers

QUITO—Ecuador is one of the smaller nations of the Americas, yet it is one of the more interesting and rewarding to visit because it epitomizes many of the traits and processes that are characteristic of the Spanish "New World."

Everything from colonial-style haciendas and tropical plantations, to the gold-mining towns, the coast, mountains, jungle frontiers and exotic flora and fauna are to be found here. In short, Ecuador offers an amalgam of geographical and cultural phenomena to the visitor.

But while this means many possibilities for the adventurous, it can create difficulties for those who expect to be transported and are too inhibited to reach out to explore their surroundings.

The country's three principal regions are the Sierra, the Coast and the Oriente, the tropical lowlands of the Ecuadorian Amazon.

Since Ecuador is located in the northwestern corner of South America, the Coast refers to the Pacific littoral and generally everything to the west of the Andes mountains. The Sierra is, of course, the Andes along with their associated intermountain basins. The hot and humid Oriente lies to the east of these monumental peaks and highlands. The great environmental differences that separate these regions have been the primary determinants of Ecuador's cultural mix.

The Ecuadorian Andes is one of the better places in the New World to experience the atmosphere of the Spanish colonial empire. Despite the modernization of the 20th century, much of the architecture and social fabric of the colonial era endures in Quito, the capital city, and in the provincial towns, such as Ibarra, Latacunga, Ambato, Riobamba and Cuenca.

In these urban settings, one still finds entire districts that are composed of colonial cathedrals, museums and palaces. The author is an associate professor at Florida International University.

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On a sunny spring morning, a group of passengers eager to start the two-day trip along the Avenue of the Volcanoes, boarded the little red train at Chimbaicall station in Quito.

They would visit markets and small towns with lulling names like Ambato and Latacunga, stay overnight in the provincial capital of Riobamba and return by bus along the Pan American Highway.

Once past the industrial section south of Quito, the vista opened up to reveal gentle hills of emerald green. Fields of corn, cotton and potatoes climbed even the steepest slopes. Cattle grazed near small, white-washed farm houses with tiled roofs; women did their washing in a ditch next to the track.

Behind the hills, swiftly moving clouds revealed a jagged, rocky peak, then quickly enveloped it.



Larry Dale Gordon/The Image Bank

## Amazon Provinces in Oriente

Ecuador's wild frontier behind the walls of the Andes.

houses along narrow cobblestone streets. Here, highland Indians in distinctive dress can be seen plodding through the streets with immense bundles for the market, as conservatively dressed businessmen congregate in coffee shops to discuss politics and make deals.

These towns and cities are regional commercial centers that dominate the hinterland of haciendas, peasants and Indian communities.

The key social institution of the rural sector is the family-owned estate, or hacienda. Typically, these are large landholdings that provide the material foundation for the social life of the Sierra. Despite various government attempts at agrarian reform in the past 25 years, the hacienda survives in highland Ecuador and is particularly dominant in such provinces as Cotacachi and Chimbo.

A typical hacienda consists of a main house, "big house" for the owner, several support buildings for administration and storage, barns and corrals, and, finally, the outlying fields and pastures. A resident peasant community, (Continued on Page 9)

## Galápagos: For Naturalists, A Mecca and a Challenge

By William A. Orme Jr.

PUERTO AYORA, Galápagos Islands—He is two feet tall, weighs 300 pounds and is perhaps a century or two old. They call him "Lonesome George," and he is literally the last of his kind. His gait is deliberate and his glare baleful, but he seems disdainfully unaware that he is a living symbol, unique among the giant tortoises that give this archipelago its name.

But as the sole survivor of a subspecies that once roamed the lava hills of its native Santa Cruz Island, George epitomizes the vulnerability of the fragile, peculiar ecosystem of the Galápagos Islands. There will never be another *Geochelone elephantopus* quite like him.

Before whaling ships began stopping here to look for food two centuries ago, biologists estimate that more than 100,000 of these massive reptiles foraged freely on the islands. Today, fewer than 15,000 giant tortoises remain, most of them either in their protected sanctuary here on Santa Cruz Island or in the remote volcanic crater of Isabela, the largest of the 13 major islands of the Galápagos chain.

Human intrusion continues to be a problem in the archipelago. Clustered in three main settlements, there are now 8,000 full-time Galápagos residents, nearly double the islands' population a decade ago.

They are part-time farmers who brought domesticated animals that escaped and went wild: the feral goats, burros and cattle devoured and trampled delicate island vegetation, destroying the habitat of endemic birds and reptiles. More than 20,000 goats were killed in an eradication effort on one island alone.

In a less dramatic invasion, but potentially as serious, more than a hundred foreign plants have taken root in the Galápagos in the past century.

"It is still too early to tell which will be the most damaging," said Gunter Rock, the director of the internationally financed Charles Darwin Research Station here. Already, he noted, the new plant and animal species have proved far more harmful than the past depredations of tortoise-hunting sailors.

The most spectacular recent evidence of man's harmful impact occurred last year, when farmers left a campfire unattended in the highlands savannah. The resulting blaze raged unchecked for six weeks, ravaging 300 square miles (776 square kilometers) of forest, brush and grasslands.

"The fire kept burning until the rain finally put it out," said Miguel Cifuentes, the director for the past 12 years of the Galápagos National Park. "Part of a unique forest was destroyed."

It is feared that tourists, attracted in growing numbers to this naturalists' mecca, may eventually have an even more severe impact on wildlife.

The typical foreign visitor is still an affluent, avid birdwatcher seeking retirement age who is most interested in spotting a green lew lew in his lying in the sun.

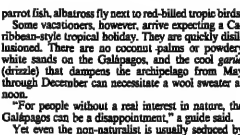
"They are ideal," a tour guide commented. "They obey the rules, they love wildlife and they spend the money to travel in comfort."

But other tourists are coming to snorkel in the turquoise waters with a brood of sensitive sea lions, or climb clamber coasts for a glimpse of an intact tortoise colony. The untouched volcanic landscape is itself a prime attraction as is the strange mix of the tropical and the polar. Penguins stand waist-deep in mangrove swamps, sea lions chase brilliantly colored

A rocky bay in the Galápagos, top right. One of the giant tortoises, below, which gave the archipelago its name. Fewer than 15,000 of them remain today. The mountains and bays of the islands, center, right.



Puerto Ayora, right, the principal town of the Galápagos Islands.



The tortoise, right, gave the archipelago its name.

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## Discover the Highlands By Train to Riobamba

By Alberto Eisenman

QUITO—Outdoorsmen claim to be up-to-date still claim the travel bound for South America with tales of the spectacular train trip between Quito and Cuenca. For decades, this 286-mile (466-kilometer), roller-coaster ride, spanning coastal plains and mountain passes, has been considered one of the world's greatest railroad journeys and the highlight of a visit to Ecuador.

It is abruptly ended in the spring of 1983, when the Quaysail and Quito line, which was completed in 1922, was severed by floods. However, a travel agency, Metropolitan Touring, purchased one of the vintage railroads cars, refurbished it, installed a bathroom and galley and attached it to a two-wheeled cart that shuttles along the Andean plateau. Thus, at least part of the trip, the highland stretch that covers the 130 miles between the capital city and Riobamba, can still be enjoyed.

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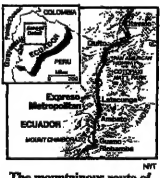
They would visit markets and small towns with lulling names like Ambato and Latacunga, stay overnight in the provincial capital of Riobamba and return by bus along the Pan American Highway.

Once past the industrial section south of Quito, the vista opened up to reveal gentle hills of emerald green. Fields of corn, cotton and potatoes climbed even the steepest slopes. Cattle grazed near small, white-washed farm houses with tiled roofs; women did their washing in a ditch next to the track.

Behind the hills, swiftly moving clouds revealed a jagged, rocky peak, then quickly enveloped it.

Half an hour out of Quito the train suddenly stopped. The steam and the guide reported that the flatcar had undergone a minor derailment, due to tracks damaged by heavy rains. Several hours later, engineers fixed the road bend and ran out the wheels back onto the track.

As they waited for the repairs to finish, passengers played cards and walked along the track or watched from the train's tiny rear-view plat-



The mountainous route of the small train from Quito to Riobamba.

form as a farmer patiently hoed his hillside fields. Children played hide-and-seek between seats.

Names were exchanged and several Quichitos, with that genuine interest and courtesy that makes traveling in Ecuador such a pleasure, mingled with the English-speaking travelers.

The train started up, then stopped again as the wheels were checked. All was in place.

The tour's bilingual guide, Josie, discussed the scenery as the train moved along. The distant ranges were obscured by mist, but the immediate landscape was an ever-changing mosaic of fields edged by silvery cottonwoods, terraces where people stopped to wave as the train passed, hills dotted with beehives and grazing sheep.

The train climbed to 11,638 feet at Cotacachi National Park, a recreation area for hiking and picnicking. The view of Cotacachi, which at 19,360 feet is the world's highest active volcano, should have been spectacular but was blocked by shifting waves of gray on the horizon.

The train moved through the Páramo de Latacunga, a town of about 25,000 people that is renowned for its weekly market. Several hours behind schedule, but fortified by a snack of crackers and queso de ají, a mild white cheese wrapped in meat, the passengers walked through the narrow, crowded walkways of the market. The awning-topped stalls featured a variety of plantains and bananas, one of Ecuador's major crops, as well as pyramids of sweet, juicy

(Continued on Next Page)

## Message from the President of Ecuador, Sr. Ing. Leon Febres Cordero



The Ecuadorian Government follows a political course which guarantees a system of competition as provided for by the constitution. In keeping with this line of thought, it invites foreign businessmen to invest in Ecuador, a country of fertile lands, great agroindustrial potential, untapped mineral resources and with fabulous opportunities for tourism.

As Constitutional President of the Republic of Ecuador, it behooves me to protect political freedom and to promote an economic democracy which has its roots in a market economy.

We deal with foreign and domestic investors in the same responsible manner as we deal with our creditors, respecting our legal obligations and allowing for profits within the margins of the law to those who cooperate with our efforts to rebuild the nation.

Our association with the OPIC (Overseas Private Investment Corporation) offers American investors assurance against any political risk that they could incur while in Ecuador, and thus confirms the faith that the Ecuadorian Government has in its country's potential.

During the preparatory stage, OPIC officers visited Ecuador to meet with key government officials and members of the business community to identify specific investment opportunities. Once this information was assembled, OPIC contacted U.S. companies whose capabilities matched the requirements

of the various projects and provided them with facts about the mission. In late August, Mr. Hutton finalized arrangements for the mission during a series of conferences with the Ecuadorian officials concerned with foreign investment.

"The mission visited Ecuador at an ideal time because President Leon Febres Cordero is actively seeking to strengthen the economy by building the private sector," Hutton said. Mr. Hutton said that more than 50 specific projects seeking U.S. investor participation were identified in advance and that mission participants met directly with potential joint venture partners from the Ecuadorian business community. Among the opportunities identified were projects ranging from a small shrimp larvae hatchery involving U.S. \$100,000 in investment to larger enterprises such as a U.S. \$1 million metal pipe manufacturing factory and a U.S. \$100-million cement plant expansion.



U.S. Companies See Investment Opportunities in Ecuador

On September 22, 1985, a group of some 20 executives representing United States companies interested in establishing joint ventures with local partners began a week-long visit to Ecuador.

Sponsored by the Overseas Private Investment Corporation (OPIC), the U.S. Government agency responsible for encouraging overseas enterprises, the investment mission was the first such group to visit the country since 1977. OPIC President Craig A. Nalen, who led the mission, believes the visit marked the start of a new era of understanding and cooperation between the business communities of the two nations.

"Formation of the Andean Pact in 1970 had an immediate and negative effect on foreign investors," Mr. Nalen says. "Rightly or wrongly, the perception that member nations would not provide fair and equitable treatment for enterprises involving foreign participation brought new U.S. investment to a virtual standstill. In the past two years, however, OPIC has negotiated new agreements in Ecuador and two other Pact countries and we believe we have turned an important corner."

Under the direction of Bruce N. Hutton, Vice President for Marketing, the OPIC staff began preparations for organizing the investment mission after the signing of a bilateral agreement in Quito in November 1984. With the signing, OPIC's political risk insurance program which protects U.S. investors against currency inconvertibility, expropriation and physical damage resulting from war, revolution, insurrection or civil strife was activated as well as its direct lending, loan guarantees and pre-investment assistance programs.

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"Ecuador has reversed the negative perception that developed in the wake of the Andean Pact," Hutton said, "and the degree of interest in the mission shown by U.S. companies is a good indication that the future will be different."

U.S. companies participating in the mission include: International Finance & Management Group, Inc.; Agricultural Services; Brickland Corporation; Castillo Rio; International Embryo Research, Inc.; International Shrimp Cultures; Lorenzana Foods; Olin Corporation; Pet, Inc.; Starkist; Braswell Shipyards, Inc. and Synetics International.

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## A SPECIAL REPORT ON ECUADOR

## Galápagos Islands: A Mecca for Naturalists

(Continued From Previous Page)

such sights as blue-footed boobies crashing into the surf, scarlet-backed iguanas slipping underwater to feed on kelp or the Galápagos waved albatrosses dueling with their great beaks in an intricate mating tango.

Probably the greatest appeal of Galápagos wildlife is that the absence of predators has left it tame. The fauna's famed



William A. Orin Jr.

docility "is not only an attraction to visitors, but it is also the factor that makes scientific observation so much easier here," Mr. Rock noted.

Ecuador tries to restrict the number of visitors to 25,000 a year. But in 1985, authorities estimate that the Galápagos received about 24,000 tourists. This year, the government's recommended limit "almost certainly is going to be exceeded," predicted Vicente Proano of the Quito-based Metropolitan Touring, the largest Galápagos tour operator.

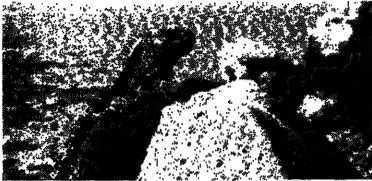
Already, he reported, the agency's 90-passenger Santa Cruz, the largest of the two dozen island cruise vessels, is booked through 1987.

No one, however, expects Ecuador to refuse visits to Galápagos-bound foreigners. Most serious students of the islands say the ecological impact of tourism so far has been minimal, though they attribute this to Ecuador's strict regulation policies.

Tourists are required to follow set itineraries in the company of licensed biologists-guías. And almost all spend their nights on boats or in Puerto Ayora hotels. Smoking is forbidden on the islands and tour groups cannot disturb animals or stray from the national park's clearly marked paths.

"I certainly haven't seen any significant damage from tourism," said Mr. Rock, a West German marine biologist who first came to the Galápagos to conduct research 12 years ago.

Mr. Cifuentes, the park director, agreed. "No one has been able to prove that the Galápagos has suffered from tourism."



A blue-footed booby, above, and a Galápagos marine iguana, the world's only aquatic iguana, which can forage underwater for up to 30 minutes.

William A. Orin Jr.

Of course, the moment you open a trail, you are prepared for some degree of impact," he said. "We oppose the extremist view of conservation that says there should be no contact with outsiders at all."

The Galápagos probably could safely handle as many as 45,000 visitors yearly, Mr. Cifuentes said, if the park had enough staff to control and monitor them. "The problem," he said, "is that we don't."

He said that the park has 56 rangers, or one for every 32,000 acres (13,000 hectares), adding, "We need at least a hundred more."

Ranger salaries are low and most park employees work not for the wages, Mr. Cifuentes said, but "out of an altruistic commitment to the Galápagos, and we can't rely on that kind of idealism forever."

The park's funds come principally from its entrance fee—\$40 for foreigners. Mr. Cifuentes said that this money goes "straight to the central bank," which uses it to maintain Ecuador's mainland national park system. The entire Galápagos park budget for 1985 was less than \$200,000 although this was supplemented by substantial donations from the governments of Sweden, West Germany and Canada.

Those who argue that the islands are ecologically resilient enough to withstand increased tourism were supported by the aftermath of last year's fire.

The Isabela grasslands are lush and green again, much sooner than expected. Badly scorched ferns have sent out fresh shoots. Most importantly, park biologists report, no animal habitat was permanently damaged.

Yet, both Mr. Cifuentes and Mr. Rock caution that tourist growth must be moderated. "Tourists visit only a tiny fraction of the Galápagos territory, but they go to precisely those areas where wildlife is most concentrated," Mr. Rock pointed out. "This is also exactly where the ecosystem is most vulnerable."

He believes that Ecuador "can and should benefit economically from the Galápagos, and tourism is undoubtedly the easiest way to accomplish that in the short term." But in the long run, he suggested, Ecuador would benefit more if the islands became a kind of open-air museum-own-laboratory of the natural sciences "a world model of human interrelationship with a strange and fragile environment."

Spokesmen for the Ecuadorian travel industry agree that the growth of Galápagos tourism should be carefully regulated.

"Tourist development of the islands should be gradual, and its impact must be measured," Mr. Proano said.



Driving sheep to the Andes, where Indians have survived in native communities.

## An Andes Train Ride

(Continued From Previous Page)

pineapples and local delicacies such as guinea pig.

The group wandered among the Spanish- or Quechua-speaking merchants and their customers. Until the next departure, that is. Then they returned to the train, to a meal of steak and vegetables served à la carte.

While Jose regrettably explained that the schedule had called for lunch overlooking a scenic lake, the train departed, long after dark, rain alternating with an occasional clearing and the landscape changing seemingly at each curve.

Everyone waved as the train whistled by—a man high on a ladder, picking apples; a group of children running much too close to the track; an old man leading a cow along a cobblestone road; two girls knee-deep in a field of blue lupine, a single shawl wrapped around them.

The visitors rose early the next morning in hopes of getting a glimpse of Mount Chimborazo, an inactive volcano and Ecuador's highest peak at 20,566 feet. Its snowy top was just visible through the clouds.

The main tourist attraction in Riobamba, a city of almost 70,000 people, is the Museum of Religious Art, which is housed in a rambling, single-story structure. It was built in the 16th century as the convent of the Concepcion and was later donated to the city when there were no longer enough nuns to run it.

The museum contains treasures in gold, silver and gem; exquisite vestments; fine furnishings dating to the Spanish conquest and several paintings of the Escuela Quiteña, or Quito school, the tradition that combines the teachings of European missionaries with the inspiration of Ecuadorian natives.

The return leg of the excursion was by bus, while the train made its way back to Quito without passengers. The first stop was in the little town of Guano, which is known for its rugs.

In one of the spacious stores set around the plaza, the visitors bargained for hand-woven carpets. Then they walked a few blocks to the home work-

shop of one of the weavers, who demonstrated how to work the hand-made wooden looms.

Lunch was a bountiful buffet at the hotel in Ambato, a modern city of 80,000 people that was rebuilt after an earthquake in 1949.

The hotel dining room was filled with families who had come from Quito for a leisurely Sunday lunch. Ambato, known for its rich produce and Monday market, is a popular destination.

On the final leg of the trip, the weather, which had allowed at least a partial view of the mountains, started to close in and it was difficult to see the volcanoes.

Sunlight streaming through a break in the clouds made a small patch of hillside glow like emerald. A rainbow illuminated a mountain valley: brown cows and a sprawling colonial-style structure perched on a hillside. A man was lying in the middle of the highway. A woman in a poncho and felt hat stood nearby, on the side of the road. Was he ill? No, just drunk, Jose said after inquiring. It happens, shortly after payday, he explained.

Approaching Quito, all traffic stopped for police control. Meanwhile, some men and women set up makeshift stalls where they sold baskets and local produce.

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## Tips on Travel in a Land of Extremes

By Albert Eisman

**Q**UITO—Ecuador is one of the smallest countries in South America, but within it are found extraordinary contrasts in topography and climate. Ecuador is the high plateau country around Quito, with its snow-covered mountains; the Oriente, the vast jungle area east of the Andes; the long and varied Pacific coast and, of course, the Galápagos Islands, which were made famous by the English naturalist, Charles Darwin.

With such a variety of landscapes, tips for the traveler may fall short of the mark, but here are a few suggestions:

• Visitors concerned about high altitude might consult a physician before their trip.

Quito is at 9,375 feet (2,866 meters). At such an altitude even the hardest should consider taking it easy

the first day or two, eating lightly and avoiding alcoholic beverages.

• Brochures call Quito the "city of eternal spring." Although it seldom gets very hot, or very cold, mornings and evenings are chilly and a wool sweater or jacket is usually necessary.

Since it frequently rains, a raincoat will also come in handy, although Quito seems to prefer umbrellas.

• Friends who spent a few days in the Oriente regretted that they had not taken boots and ponchos. The equipment provided by their travel agency did not fit properly.

• On the Pacific coast, only light, summer clothes are needed, although in air-conditioned rooms a sweater is not amiss.

• Touring the Galápagos Islands by ship, as most visitors do, does not require any formal dress; slacks or a skirt and blouse are fine at dinner.

During the day, while clambering on rocks or narrow

paths, shorts are more comfortable, unless the protection of long pants and long-sleeved shirts is preferred.

The Ecuadorian sun is wonderful, but fierce and a strong sun lotion is recommended. Other essentials are sunglasses and a hat. A lightweight backpack or bag can carry the necessities, but they go to precisely those areas where wildlife is most concentrated.

• The ship's dining room and bar were air-conditioned, so a sweater was also handy.

• In purchasing Ecuadorian handicrafts, it is often wise to buy on the spot since the items may not be available in another town or market. The country's specialties include shawls, rugs, bags, sweaters, shirts, hats of felt or straw (the Panama hat in fact comes from Ecuador), ceramics, leather goods and bread-dough figurines.

## Summary of Economic Aspects of Service Contracts for Exploration and Exploitation of Hydrocarbons in the Republic of Ecuador and of Bidding Regulations for the Third Round of Contracts in the Ecuadorian Amazon Region

In August 1982 the National Congress of the Republic of Ecuador, approved certain legal and tax provisions governing new service contracts for exploration and exploitation of hydrocarbons.

Since that time, two rounds of bids have taken place, the results of which are seven service contracts and the arrival in the country of eleven oil companies of recognized standing, among which there are four companies that are considered the largest in the world: Exxon, British Petroleum, Shell Oil (Pecten), Texaco, Occidental, Continental Oil, Diamond Shamrock, Belco, Hispanoil, Nomeco, and Opic.

The philosophy behind the Ecuadorian service contract for exploration and exploitation of hydrocarbons, which includes four years of exploration and twenty years for exploitation operations, is based upon the following major aspects:

— The exploration

investment is an investment whose risk is exclusively borne by the oil companies. Only if such exploratory efforts result in commercial discoveries of hydrocarbon reservoirs the contractors are entitled to the reimbursement of such investments and a service fee payment.

— The economy of the contract for the contractor is the result of a competitive process originated by an open system of an international call for bids which precedes contract execution. The method for evaluating the tenders submitted by the companies, which is known in advance by all bidders, leads to awarding the contract to the company that proposes the best exploratory efforts as far as investment and work are concerned and that demands less profitability should commercial oil be found by it.

— The contract's economic pattern is flexible and depends upon the potential of each block offered in



At Left, Ing. Xavier Espinosa, Minister of Natural Resources and Minerals, sitting next to Econ. Xavier Neira Menéndez, Minister of Industry and Commerce. Standing is President Ing. Leon Fabres Cordero.

terms of quantity and quality of the oil to be found, transportation facilities, and location of reserves onshore and offshore areas. Thus, the participation percentage in the income originating from the oil that the contractors offer depends on such potential.

— The service contract not only provides for the exploration and exploitation of hydrocarbons, but it also covers long-term marketing of crude oil since the

contractor is entitled to receive in oil the reimbursements for its expenses and profitability, and it may have a preferential option to purchase up to 50% of the exportable balance.

Such contracts are framed within the National Government's objectives, that is, to guarantee to this generation and to future generations that there will be an availability of oil reserves and an exportable balance that can strengthen the fu-

ture of Ecuador's economy, 70% of whose exports depend on oil. The following goals are expected to be reached within the next four years: To explore four million hectares on new areas (Amazon Region,

offshore, and onshore), to discover at least 2 billion barrels of new reserves, and to maintain an exportable balance of oil of not less than 50% of production beyond the year 2000.

Within this general objective, the first two rounds that have been carried out up to this date will permit to reach 50% of the above mentioned goals. Therefore, the National Government will again open two new rounds for oil contracts, in March and December of 1986. The purpose of these rounds will be to award between eight and ten new service contracts on the Amazon Region (in the country's southeast) and on the coast (Gulf of Guayaquil and Manabí).

The National Government is fully confident of being able to achieve all of the objectives of its opening-up to petroleum activities owing to the potential of the oil that exists in the national territory, to the fact that the stan-

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Ministerio de Energía y Minas  
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## A SPECIAL REPORT ON ECUADOR

## Varied Faces, Cultures

(Continued From Page 7)

known as *huasipungos*, forms the work force of the hacienda along with a small group of overseers (the *señores* spend most of their time in their townhouses). The peasants are likely to live in primitive huts on the more marginal lands of the estate.

In some areas of the highlands, Indians successfully resisted the predatory hacienda system and have survived in independent native communities. The members of such communities wear costume and speak Quechua, the language of the Incas.

The best known of these groups are the Otavalo, Salasaca and Saraguro Indians. Both the Otavalo and Salasaca groups are noted for their fine weavings and are within a day's travel of Quito. Go north to Otavalo to see the group of the same name or south to Ambato to see the Salasaca.

Until the Sierra, the coastal region has been a crossroads for trade and a producer of tropical crops and goods for the world market. Guayaquil, the major port, historically served as the gateway to all of Ecuador and has focused its energies on trade and marketing. The elite of Guayaquil are commercial entrepreneurs, many of whom came from such diverse places as Syria, Lebanon and China.

The coast also has the highest proportion of blacks in the country, a feature associated with tropical plantations throughout the New World. Guayaquil is a dynamic city, and with its material prosperity, desire for growth and change, and more diverse racial mixtures, it constitutes the antithesis of the conservative, aristocratic and bureaucratic elite of Quito. The citizens of these two cities love to hate each other.

The primary rural institution of the coast has not been the hacienda, but rather the commercial plantations that produce tropical crops, such as bananas, cacao and rice for both the national and international markets. While geared to the profit motive, these plantations have been at the mercy of price fluctuations in the world market, plant diseases and climatic disasters.

Throughout its history, the region has witnessed boom-and-bust cycles in which fortunes were made, lost and remade. Hence, the coast has a population that is inherently opportunistic when economic conditions permit, yet flexible enough to survive the not infrequent bad times.

In Guayaquil, the most interesting thing to do is to stroll down the Avenida 9 de Octubre, the city's

main boulevard, to gain an impression of the "good life" of commerce, banks, department stores and sidewalk cafes.

Then, by taking a taxi tour of the wider city, one can see the contrasts offered by the neighborhoods of rural-to-urban migrants who are striving to carve a niche for themselves in the metropolis. Although this may seem like a heartless exercise, it does give an appreciation of the problems of urban migration that afflict many Latin American cities.

The heart of Afro-American Ecuador is at Esmeraldas on the north coast. The city is not beautiful, but remote and tranquil Pacific beaches such as San are only a short bus trip away.

For those who can afford the time and expense, a trip to the Galapagos Islands is recommended. While not property of the Coast

region, these isolated territories offer unique biological preserves.

The Oriente, or East, is Ecuador's wild frontier. For centuries it remained mysterious and forbidden behind the walls of the Andes, inhabited by Amazonian Indians and inaccessible to all but the most adventurous, it was the subject of myths of lost treasure, vast, unexploited resources and the dangers presented by headhunters, jungle animals and trackless forests.

During the past 20 years, this region has been increasingly opened to the outside world, primarily as a consequence of oil exploration and exploitation. Although there have been some minor efforts to develop a tourist industry for the Oriente, most notably the floating hotel, or *Floja*, that piles the Napo River, facilities are undeveloped or nonexistent.

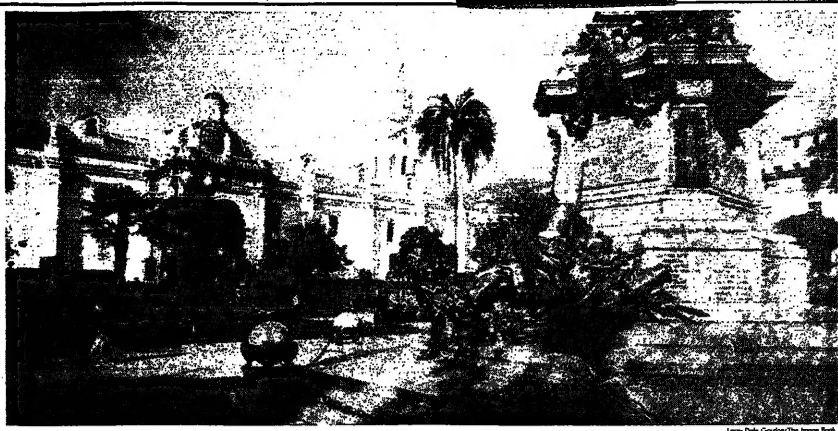
This is an area for only the most dedicated and adventurous of travelers. The towns are small, gritty and either muddy or dusty, depending on the weather. Few hotels meet normal tourist standards. The food is generally scarce and poor—one often feels fortunate to get even a plate of rice topped by a fried egg and a few chunks of plantain or yuca. These are, respectively, cooking bananas and a starchy tropical root.

Nevertheless, the appeal of the Oriente is real. The landscapes of Andean foothills and waterfalls emerging into Amazonian forests and rivers are spectacular. Soldiers, oil workers, pioneers and gold prospectors rub shoulders in the key-town bars, where the cold beer and loud music are made possible by little generators. A shoutout is always possible.

Many tourists who make it to the Oriente are interested in visiting an Amazonian Indian village. These villages vary in degrees of acculturation, and the casual visitor may be disappointed to discover that the most accessible settlements are not populated by natives wearing breechcloths and face paint but rather cotton shirts, dresses and lipstick.

Nevertheless, one will find that even in these villages much of the indigenous culture and mentality survive beneath the surface. Remote settlements can be found, but their inhabitants may view tourists as yet another imposition from the modern world. Travelers may bring money, but they also bring probing cameras, foreign diseases, loud music, alcohol and, at times, drugs.

Cross-country, common sense and tact are recommended in visiting these remote enclaves.



In central Quito, the city that the Spanish built has been carefully preserved.

## Quito's Panoramic Blend of Modern and Colonial

By Sarah Graham

QUITO—There is a saying in Ecuador's capital city that when God made the sky, he left a hole in it so that he could look down on Quito, one of South America's prettiest capitals. The best panoramic view of the city is from atop the Panecillo, one of the hills surrounding Quito, which is shrouded in green hills and snow-capped mountains. Old colonial houses blend easily with the skyscrapers and the palm-lined avenues of the city's newer section.

A steel statue of Quito's winged Virgin of Larma keeps watch over the city's 1.5 million residents, who live spread among the orange-tiled roofs of Quito Anzago and the gleaming steel and glass buildings of Quito Moderno.

In walking along the hilly, narrow streets of Quito Anzago it becomes apparent why UNESCO named the city "patrimony of mankind" in order to preserve its old buildings. Now the law protects Quito Anzago from being overrun by the modern age. It is illegal to change the district's whitewashed houses with their Spanish tile roofs and royal blue ironwork balconies.

Many buildings are more than 300 years old, and one of the streets that has best maintained its appearance is the city's oldest—Calle la Ronda. Despite several scoreless shops that have appeared along the narrow, cobblestone street, one can still imagine it as it was in the early colonial days of the city.

Early historians described Quito as a city of perpetual green. Although it is situated almost precisely on the equator, its altitude of 9,375 feet (2,866 meters) blesses it with early springtime temperatures year-round and radiant sunshine from July to September. The rest of the year there are brief showers almost every afternoon.

Quito has more than 30 churches. Looking down from the Panecillo, they dot the landscape with domes and open plazas inside courtyards and monasteries.

The most important churches can be visited in a walking tour arranged through a travel agency or simply undertaken

with map and guidebook in hand. It is a good idea, however, to check the visiting hours of the churches since they vary throughout the year and, in some cases, according to the schedule of Mass.

One of the most impressive churches is the La Compañía de Jesús, which was built in the 17th and 18th centuries. It is adorned with more than half a ton of gold leaf and seems almost entirely golden inside. Ecuador's first saint is buried here, in a silver coffin encased in a golden altar.

San Francisco, Quito's largest church, was reportedly built over the ruins of an Inca palace. It is, in fact, a collection of chapels and a convent rolled into one. It takes up nearly two city blocks and holds a commanding position above a cobblestone plaza.

The cathedral was the result of a joint effort of the city's clergy and townspeople, who in the 16th century carried the stone to support the church down from Mount Pichincha, one of the three hills that overlook the city. Until the middle of the 19th century, the cathedral had adobe walls and a thatched roof, then a nearly 300-year process of construction was begun.

The easiest way to get to Quito's museums is by taxi (no tipping is necessary). One of the most popular museums is the Central Bank Museum, located near old Quito. It contains thousands of artifacts in surprisingly good condition from Ecuador's ancient cultures. The second floor of the museum has a small exhibit of religious pieces, including gem-encrusted crowns for the images of saints and statues of the Virgin of Larma.

It is a good idea to arrange for a guide when touring the museum as there is little explanation of the pieces on display. Guides, speaking a number of languages, are available free of charge by reserving a day or two in advance.

The National Science Museum, located in the gleaming round building of the House of Ecuadorian Culture, has a wide variety of objects of Ecuadorian art. It is the museum to visit if there is only time to see one.

While the central bank museum is almost overpowering in the volume of its collection, the House of Culture has a relaxed air, with room to sit down and enjoy the examples of

old musical instruments, colonial furniture, native costumes, paintings and sculptures by Ecuadorian artists.

The Goyasamin Museum exhibits paintings and other works by the country's most famous artist, Oswaldo Goyasamin. Another interesting museum has been built at the equator monument, about a half-hour drive from Quito. There, one can stand with a foot in each hemisphere, then step inside and see a display of Ecuadorian Indian life and art.

It is a good idea to visit Quito on a weekend, reserving Saturday for a trip to the town of Otavalo, where one of South America's most colorful markets takes place each weekend in the main square. Peasants from the surrounding hills display their wool products—wavings, brightly colored sweaters and intricately woven bags called *shigras*.

Although the market continues all day, it is wise to get there early since the prices go up the later it gets. Bargaining can bring the price of goods down about one-third to one-half. The best thing to do is make the two-hour trip Friday afternoon and spend the night in one of the fine small hotels in the area.

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## ADVERTISEMENT

## Exploitation for the Third

## Ecuador Boosts Mining Activity With New Regulations

Mining has just received an important boost in Ecuador. Recent laws passed in August 1985 now provide new incentives and advantages to both miners and investors. The present government, headed by President León Febres Cordero, is eager to develop a significant mining industry. One of its top priorities has been the promotion of mining activity in all its phases, including the support of both national and foreign investors.

Ecuador's mining history goes back to the 16th century, when Spanish settlements were founded in the Amazon Basin. Gold was the explorers' main objective, although Ecuador also proved to

be rich in silver, copper, iron, lead, zinc and magnesium as well as many other minerals. A combination of historical factors nearly wiped out mining in this region after the 17th century, but Ecuador's historical exploitation provides a valuable window on the country's current mining potential. Many of these original sites are now free to be reclaimed.

The new mining laws offer such key changes as:

- The establishment of the Ecuadorian Institute of Mines (INEMIN), an autonomous entity created to simplify and centralize procedures.

- Upon the reporting of a deposit, representing

rights are awarded to the reporter.

- With the termination of a contract all mining and industrial installations, machinery and equipment is retained and can be removed by the owner. (Previously, it reverted to the state.)

- Royalties are based on the sale price of the metals and are 1 percent during the first four years and 3 percent thereafter.


- On mining activities, taxes are paid on only 50 percent of the taxable profit base for a period of five years. Individuals who earn profits from mining investments pay only 5 percent on profits arising from investments of both capital and work,

and 10 percent on profits resulting from investment of capital alone (rather than having the profits considered as general income to be taxed at a higher progressive rate).

- No tax whatsoever is paid for the contracts, on initial inversions and augmentations of capital, on security deposits or on re-investments.

- Exemption from customs duties on imported equipment and machinery.

- Individuals or corporations that invest in mining enterprises by means of an initial contribution or subsequent augmentation of capital can deduct 50 percent of this amount from the tax on profits.



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Current mining activity in Ecuador includes limestone and coal for cement production, as well as the production of minerals used in ceramics, silica, and other non-metallic minerals. Marble, fossilized limestone and pure minerals for ornamental use in construction are also being produced. Exploitation of polymetals and precious metals is now getting under way.

Among the holders of areas currently under contract, many licensees are disposed to associate with foreign investors. Foreign bids are also being considered for active concessions already demonstrating profitability.

Still to be explored is the underwater area around Ecuador's Galapagos Islands, 540 kilometers (350 miles) offshore. In the early 1980s, the U.S. National Administration of Oceanography and Atmospheric reported rich and extensive polymetallic sulfide deposits here, representing promising possibility for future development.

But outstanding among Ecuador's minerals is gold, which even with archaic and unsophisticated mining methods has recently reached exciting production levels.

Contracts for mining investigation or development already cover many sites likely to furnish non-metallic and metallic minerals and/or precious metals. However, a large number of areas with great potential remain unclaimed; an estimated 100,000 square kilometers (40,000 square miles) are still to be prospected.



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## N.Y. Stocks Rise; Trading Active

NEW YORK — Prices on the New York Stock Exchange finished higher in active trading Monday as the transportation sector registered new highs.

The Dow Jones industrial average climbed steadily through early afternoon, then trimmed some of its advance and closed with a gain of 7.68 at 1,557.61.

For the second time in as many sessions, the Dow transportation average set a new record closing high, up 6.53 to 746.44, surpassing the previous high of 739.91 set Friday.

Broader market indicators advanced. The New York Stock Exchange composite index rose 0.84 to 119.86. Standard & Poor's 500 stock index climbed 0.96 to 207.39. The price of an average share added 16 cents.

Advances continued in the 905-681. Volume was 122.9 million shares, down from 128.9 million Friday.

"We think the market is going much higher," said Stephen Weisglass, chairman of the executive committee of Ladenburg, Thalmann & Co.

Mr. Weisglass said lower oil prices will have the equivalent effect of a major tax cut because companies and consumers will be able to spend the money saved on fuel in other sectors of the economy. Lower interest rates will also help the market move higher, Weisglass said.

Newton Zinder, technical analyst at E.P. Hutton, was more cautious. Though he believes the market will eventually move higher, he said that strength in the transportation index is "very unusual and almost excessive" and will not necessarily be followed by similar strength in the broader market.

"The transportation average mostly reflects the decline in oil prices," Mr. Zinder said. "On a short-term basis, it is quite extended."

Mr. Zinder said stocks are still consolidating the gains of the last three months of 1985. Dow is likely to trade between 1,500 and 1,570 over the next few weeks, he said.

Southern Company was the most active NYSE-listed issue, rising 1/4 to 22 1/2. Republic Airlines followed, unchanged at 15.

Last week, it agreed to be acquired by NWA, the parent of Northwest Orient Airlines, at \$17 a share. NWA was up 1/4 to 48 1/2.

Other airlines were actively traded. Western Airlines was the third-most active issue, rising 1/4 to 8 1/4. Pan American World Airways rose 1/4 to 8 1/4. Delta climbed 1/4 to 42 1/2. UAL fell 1/4 to 55. AMR lost 1/4 to 46 1/2 and Eastern lost 1/4 to 5 1/4.

Among other transportation issues, Federal Express gained 1 1/2 to 63 1/2 and Overnight Transportation jumped 1 1/2 to 47 1/2.

As worries that lower oil prices would jeopardize the ability of oil-company-dependent nations to pay their debts to foreign banks persisted, Citicorp lost 1 1/2 to 48 1/2. Bankers Trust fell 1 1/2 to 67 1/2. Chemical New York eased 1/4 to 42 1/2. Manufacturers Hanover dropped 1 1/2 to 41 1/2. J.P. Morgan declined 1/4 to 60 1/2 and Chase Manhattan Bank (re-dividend) eased 1 1/2 to 69 1/2.

In the oil and oil-service sector, Phillips Petroleum (re-dividend) lost 1/4 to 10 1/2. Chevron eased 1/4 to 35 1/2. Texas Oil & Gas lost 1/4 to 13 1/2. Mobil fell 1/4 to 29 1/2. Exxon rose 1/4 to 51 1/2. Pennzoil added 2 1/2 to 66 1/2.

Standard & Poor's Index					AMEX Sales					AMEX Stock Index				
High	Low	Close	Chg.	Vol.	High	Low	Close	Chg.	Vol.	High	Low	Close	Chg.	Vol.
100.00	100.00	100.00	+0.00	100.00	100.00	100.00	100.00	+0.00	100.00	100.00	100.00	100.00	+0.00	100.00

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Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere  
Via The Associated Press

[illegible]

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[illegible]

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[illegible]

DIV - Dividends paid; SF - Swiss Franc; FL - Dutch Guilder; LF - Luxembourg Franc; ECU - European Currency Unit; \$F - Swiss Franc; g - asked; + - Offer Price; b - bid change  
P/V \$10 to \$1 per unit; N.A. - Not Available; N.C. - Not Commercialized; N.W.S. - suspended; S/S - Stock Split; \*\* - Ex-Dividend; \*\*\* - Gross Performance Index  
Redempt- Price- Ex-Capital -- Formerly Worldwide Fund Ltd; @ - Offer Price incl. 4% premium charge; +- daily stock price as an Amisade

صلى الله عليه وسلم



## Latin Debtors Tell Creditors That Growth Is the Priority

(Continued from Page 11)

new lending by commercial banks to the region, amounting to the financial plight of the debtors. The aim of the Baker plan is to restore those flows, at a modest annual increase of 2.5 percent a year.

The aim, as many of the conference speakers noted, is to enhance the quality of the hundreds of billions of dollars in bank loans already outstanding by shoring up the lenders' capacity to repay.

But even this issue is contentious, with Mr. Silva Herzog questioning whether adding more debt can solve the debt problem. "It could be possible," he said. "If interest rates were 2 to 3 percent (percentage points) lower."

Michel Camdessus, governor of the Banque de France, noted that interest rates had declined substantially since the outbreak of the debt crisis, agreed that rates need to fall further.

Both he and Mr. Wiesner Durkin of the IMF emphasized that adjustment programs are not anti-growth but rather essential to assure that sustainable growth patterns are established.

Both Mr. Camdessus and Mr. Leachman said that they would support a request by the World Bank to increase its capital base.

Antonio Ortiz Mena, president of the Inter-American Development Bank, said his agency would begin talks in Paris next week with European member governments about the desirability and need for an increase in the IAD's capital.

Commenting on the steps that official creditors could take to support the debtor countries, Mr. Leigh-Pemberton said that Britain was adopting a more flexible approach to official export guarantees by reopening such facilities for countries showing signs of economic improvement.

## Eastern Talks Break Down; Cooling-Off Period Starts

(Continued from Page 11)

MIAMI — Contract talks between Eastern Airlines and its pilots union have broken down, and a 30-day cooling-off period began Monday that could lead to a strike as early as Feb. 26, officials said. The talks between the carrier and representatives of the Air Line Pilots Association broke down late Sunday in Washington. The company rejected a proposal for binding arbitration.

The National Labor Relations Board declared the negotiations as an impasse, triggering the cooling-off period required by law before Eastern's 4,538 pilots are free to strike.

Eastern's flight attendants already have completed a cooling-off period since an impasse was declared in their contract talks, but union officials have said they will not call a walkout before March 1.

Eastern's major leaders have given the earlier until Feb. 28 to reach cut-out agreements with its three unions or face default on \$2.5 billion in loans. Jerry Cooley, Eastern's senior vice president for corporate communications, said "The National Mediation Board offered arbitration, but management rejected it." He added, "No further talks are scheduled."

When the cooling-off period ends on Feb. 26, Mr. Cooley said, the union would be free to strike and the company would be free to impose a contract on its employees. Pilots union officials on Thursday voted to authorize a strike vote. Details on that balloting were to be disclosed later Monday.

Eastern already has announced the layoff of 1,010 flight attendants and lowered the wages of its remaining 6,000 attendants by 20 percent by imposing a contract on them.

## Mixed Signals Being Given On Gold, Oil

(Continued from Page 11)

opponents will be fired early this week.

The commission will be issuing three proposals to amend its charter, signifying what in its own view are the areas where it might improve regulation of the futures markets. The most controversial of these is likely to be its suggestion that so-called leverage contracts — in effect, off-exchange commodity futures — be banned for good.

Only a small number of firms are even allowed to offer these contracts. They have come under heavy criticism, especially from the exchanges with which they compete. It is asserted that they are not as liquid as exchange-traded futures, that execution of orders has not been reliable, and that there is not a good public price discovery mechanism for determining their value.

In addition, the CFTC will be proposing that it be given broader powers to enforce disciplinary and other actions by the National Futures Association, the main self-regulatory body, and that its enforcement powers be strengthened over foreign nationals. The commission will also propose that, if certain of its enforcement actions are challenged, the case should go directly to a federal appeals court rather than to lower courts first.

## Bridge Contract Signed by Turkey

ISTANBUL — A consortium of Turkish and West German companies signed a \$200-million agreement Monday to build a bridge over the Golden Horn, Istanbul, officials reported.

They said Turkey's Sezi Turkiye Fevzi Akkaya Insaat AS and Thyssen Engineering AG, signed a contract with the Turkish highway authority to build a 984-meter (1,072-yard) bridge with concrete supports to replace an aging pontoon bridge across the waterway near the Sultanahmet district.

The bridge will be a twin-span, two-level bridge, with a total length of 1,072 meters (1,120 yards), and will be built by the Sezi Turkiye Fevzi Akkaya Insaat AS.

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## CURRENCY MARKETS

### Dollar Ends Lower on Rates Outlook

(Continued from Page 11)

NEW YORK — The dollar closed sharply lower Monday in the United States and Europe amid mounting speculation that Japan will shortly cut its discount rate, leading to a similar move by the Federal Reserve Board in the not-too-distant future.

The British pound recovered from a record low set at the recent oil-price slump but gave up gains against the Deutsche mark as oil prices stabilized late in the day.

The market outlook is for a state of international ease over the next month or so, led by Japan. A state trader, adding that the improved inflation prospects after the recent oil-price slump have given the Fed even more leeway to cut rates.

Dealers said they expect the market to push the dollar further toward the key 190-yen level after Japan's finance minister, Noboru Takashita, said last week that the Japanese economy could sustain

such a rate in current economic conditions.

They added that markets now will probably push the dollar steadily toward 235 DM in the short-term now that the 240-level has been breached.

In New York, the dollar dropped to a seven-year low of 195.05 yen from 195.75 on Friday, and at 239.10 DM from 240.00 on Friday. It marked the dollar's first close under the important 240-level in nearly two years.

The Swiss franc also closed in New York at 7.3475 French francs, down from 7.4000 there on Friday, and at 2.0275 Swiss francs, down from 2.0400.

Earlier trading in Europe, the dollar ended in London at 238.85 DM, down from 240.25 at the opening and Friday's close of 241.90 DM. Dealers said volume was fairly low and trading nervous after last week's sharp downward movement.

The dollar also ended in London at 195.82 yen, down slightly from its close on Friday of 196.05, and at 243.50 Swiss francs, down from 244.65.

In other European markets Monday, the dollar was fixed at midnight in Frankfurt at 239.55 DM, down from 242.62 at the Friday fixing, and at 7.3695 French francs in Paris, down from 7.4580. In Zurich, the dollar fell to 2.0353 Swiss francs from 2.0445 at the Friday close.

The British pound, meanwhile, firmed at the close in London to 3.3395 DM from its opening 3.3125, but was still down sharply from its previous close of 3.3725. It also rallied against the dollar after a weak opening, ending the session at 1.3323, just below its close on Friday of 1.3343.

In inter trading in New York, the pound closed at \$1.3970, virtually unchanged from \$1.3940 there on Friday. (Reuters, IHT)

## THE EUROMARKETS

### Primary Sector Is Active, Secondary Quiet

By Christopher Pizzey

REUTERS

LONDON — The primary sector of the Eurobond market was active Monday, but the secondary was quiet, with prices generally steady or slightly higher on the day, dealers said.

They added that operations in the dollar-denominated floating-rate note sectors still appeared to be waiting for a significant move on the U.S. credit markets. "It's difficult to assess the impact of the U.S. market right now. It's not moving much so there's no real incentive for us to move our prices," said a dollar-straight trader at a U.S. bank.

The day's most well received issue was a \$200-million equity warrant issued by Fujitsu Ltd. The five-year bond issue has an indicated coupon of 4 1/2 percent and participation rights in the company's profits. It was trading on the market at about 106.

The State Bank of South Australia launched a \$100-million bond issue paying 9 1/2 percent over seven years and priced at 104. It was led by Deutsche Bank Capital Markets and was trading on the market at 104 1/2 percent on the day, dealers said.

It was the last of a series of issues launched by Deutsche Bank Capital Markets and was trading on the market at 104 1/2 percent on the day, dealers said.

The Council of Europe launched a \$150-million, 10-year bond issue that was priced at 104 1/2 percent and was trading on the market at 104 1/2 percent on the day, dealers said.

The five-year issue pays 8 1/2 percent and was priced at 104 1/2 percent. The five-year issue was the lead manager, Trust International was the lead manager.

Two dollar straight for Scandinavian banks were launched, the first being a \$100-million bond issue for Fortnum & Knapp AB, carrying the guarantee of Sweden. The five-year issue pays 8 1/2 percent and was priced at 104 1/2 percent. The five-year issue was the lead manager, Trust International was the lead manager.

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percent over five years and priced at 100 1/2. Credit Suisse First Boston Ltd. was the lead manager.

The floating-rate note sector saw a new issue from Central International, a unit of Spain's Banco Central SA. The \$150-million, 20-year note issue has pay options after 12 and 15 years and pays 17 1/2 percent over the three-month London interbank offered rate. Bankers Trust International led-managed the issue.

The Washington Post Co. issued a \$7.25-million European-currency unit bond through Salomon Brothers International. The 10-year issue pays 8 1/2 percent and was priced at 100 1/2. It was quoted on the market around the total of 2 percent.

Back in the secondary markets, the sterling-straight sector was still nervously watching sterling's movements on the foreign exchange market while Japanese convertibles were firmer after a moderate day's activity, dealers added.

## Dresdner Makes Rights Issue

REUTERS

FRANKFURT — Dresdner Bank AG is making a 1-for-1 rights issue to raise nominal capital by 100 million Deutsche marks (\$41.49 million) to about 1.24 billion DM, a bank spokesman said Monday.

The shares, which will qualify for a full 1986 dividend, will be offered between March 3 and 17 at 330 DM per nominal 50 DM. The offering will raise 600 million DM cash. The bank is also offering a 400-million-DM domestic bond with share warrants, using 100 million DM of conditional capital. The bond will be issued to existing shareholders through a rights system.

The bank will raise in dividend above 1985's 7.50 DM. Two other major West German banks, Berliner Handels- und Commerbank AG, have made rights issues in the past three weeks.

## Eastern Airlines Chief Assesses Crisis

(Continued from Page 11)

union leaders to give control of Eastern by having their rank and file buy stock?

A. That won't make an awful lot of sense unless the airline is restructured. The so-called concessions we've been able to achieve in the past three years have really not resulted in reductions. We've given them stock and debtors. So now we are faced with the final piece of this puzzle, which is just to reduce the costs. Who controls the airline makes little or no difference. They will still have the same problem.

Q. Have the lenders put definite requirements on you?

A. The lenders have not involved themselves in the management of the airline. They have said simply, the world has changed, the environment has changed. We don't think that Eastern is an ongoing viable business unless you restructure the costs. Therefore, we are unwilling to extend the commitment which they have been willing to do in the past — unless you fix it. We have given them a business plan based on the

proposals we have made and they expect us to go through to liquidation. We made a decision that was the toughest I've ever made in my life. It cost me a lot of credibility with the employees and with the business community. The board agreed we simply couldn't take a strike. After we agreed to the liquidation agreement, we did something we could not afford. That destabilized us, and we've been fighting back ever since and we have come back. We've had a small profit this year. You asked if I could have done anything different? Probably not, because we've put survival first.

Q. Would you have done things differently, maybe sought deeper concessions from labor earlier?

A. The crux of this problem was our 1983 agreement with the mechanics' union. It was a 30-percent compounded increase that we simply could not afford. It finally came down to the analysis of our cash reserves. We found, in a final analysis, that we would only pause briefly

in Chapter 11 and that we would go right on through to liquidation. We made a decision that was the toughest I've ever made in my life. It cost me a lot of credibility with the employees and with the business community. The board agreed we simply couldn't take a strike. After we agreed to the liquidation agreement, we did something we could not afford. That destabilized us, and we've been fighting back ever since and we have come back. We've had a small profit this year. You asked if I could have done anything different? Probably not, because we've put survival first.

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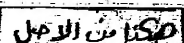
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## ART BUCHWALD

## Seeing Is Not Believing

WASHINGTON — The country seems to be divided between those who have seen Haley's comet and those who say they haven't. It isn't 1910, when everyone did see it. This time if you blinked your eyes you could easily have missed it.

Yet, as Haley's comet fades behind the sun, more and more Americans are pretending they sighted it. These citizens will tell you, "I saw Haley's comet last night with my own eyes." There is no reason for you to doubt them until you remember it was so foggy last night that they had to turn down the lights.

Why do otherwise honest people, the pillars of our communities, many who wouldn't even pick up a discarded newspaper from a sidewalk, lie about what they saw in the heavens?

The answer is that since Haley's comet has been so hard to spot, status seekers are forced to resort to poetry in order to impress their friends.

If claiming you saw the comet when you didn't is just a way of keeping up with the Joneses, then I say more power to the fibber. But what makes this practice so despicable?

I was leading him right into a trap. "And what did the mouth look like?"

"A big dirty mouth sticking across the sky." "Did it fly past the moon?" "Of course it flew past the moon. What kind of comet do you think it was?"

"Not so fast, Novak," I said. "I saw Haley's comet last night and it was nowhere near the moon." "Well, it was so dirty I couldn't tell what it was. All I know is the sky is falling."

"People have been lying about Haley's comet for 2,225 years," Novak was adamant. "I know what I saw. It was a snowball, and American way," describing it as "a snowball that the capitalist class gives itself to cast off its serious crust." Officials had no comment.

tardily is that it does injustice to the people who actually have spotted it.

Those who stood outside all night in the freezing cold shivering their fingers at the skies deserve a lot more respect than the ones who stayed in bed with their heads under the blankets looking at photos of Haley's comet. The reason I am inclined about all this is that I happened to see Haley's comet the other night. I refused to mention it to anyone because it's the sighting and not the bragging that counts with me.

Now Novak came down the hall and claimed that he had seen it. I have been suspicious of Novak's comet sightings ever since he announced in 1973 that he had spotted Kokohe and told everyone it was on a crash course with earth.

The people in the office were quite impressed that Novak had seen Haley's comet, but no one thought to find out if he was telling the truth.

"What did it look like?" I wanted to know.

He replied, "A dirty snowball." He could easily have read that in Penthouse magazine, so I asked him, "How long was it?"

"As long as the dirty snowball I've ever seen," Novak replied.

"That long," I said. "Did you see the tail on it?"

"I thought I had him. Novak said, 'It was too dirty to see the tail. I was lucky to get a glimpse of its mouth.'"

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## No Standing on Ceremony: Kobo Abe, a Writer Apart

By David Remnick

NEW YORK — Kobo Abe, one of Japan's foremost novelists, is a trained physician, and yet he disavows any comparison with Chekhov, William Carlos Williams or any other author in the long line of literary MDs.

"There's a big difference," he said. "If you were to break your arm on your way out of this room, I'd think you'd be able to do a thing for you. I'd probably just make you worse."

Abe was a skilled mathematician as a young man, and his fascination with the sciences is reflected in his novels as "Secret Kaddis," "The Face of Another," "Inter Uter Age 4" and "The Ruined Map."

His medical studies were interrupted by the war, and he spent more than 31 months in a POW camp in the Philippines. He was the only Japanese writer to be held in a POW camp.

"You see," said Abe, "Chekhov was a doctor, but I am a writer. So please, do not break your arm."

Abe's prose fiction stands outside Japanese tradition in both subject and form. His books tell widely not only in Japan, but in the United States, the Soviet Union and Eastern Europe.

"Japanese readers don't understand me better or worse than anyone else," he said. "Place has no role for me. I am rootless."

Abe's tales are universal, dark, ironic. "The Woman in the Dunes," his best-known novel, a mythic story of a man held captive in a remote sand pit, rings of Kafka. There are no naturalistic overtones, no plot, no characters.

"I get a little tired of hearing about the concentration camps in a recent interview, while in New York for the international PEN congress. 'I think the concentration camps are a very important part of the Japanese mind and the propaganda put out by Japan Air Lines.'"

Abe studied Chinese, English and German, but cannot read or speak any foreign language. He speaks through a translator, the Japanese literary scholar Daisuke Kamei.

"It's ironic that Abe is such an internationalist," said Kamei. "He has to rely on a translator like me."

At 62, an age when a literary figure of his stature would usually attract media attention, Abe remains aloof from the Japanese literary establishment.

He lives with his wife Machi in a house just a few miles outside Tokyo, but he despises the mail, refuses invitations and rarely answers the phone.

"I get angry when I meet new people," he said.

Asked what Japanese writers have influenced his work, Abe had a simple answer: "None." He has acquired a taste for literature through the tales of Lewis Carroll and Edgar Allan Poe.

For 20 years Abe divided his time between writing novels and editing plays written by himself and others, including his friends Arthur Miller and Harold Pinter.

Abe's literary friend Saito Tetsuro, head of the Seibei department store chain in Japan, was his patron in the theater. For Abe's theater company, he has spent more than \$1 million building a modern theater on the site of the old Shiba-ryu district of Tokyo.

Abe gave up directing and writing plays about five years ago. "There is no country on earth less interested in the theater than Japan," he said. "I have come to despise 'ceremonies of all sorts,' and the theater, to be the most contemptible of all."

"I've felt for a few years that the increase around the world of ceremony is the mark of a new civilization," he said. "I've rejected ceremony as much as I can. I didn't attend my daughter's wedding. I don't wear a wedding dress. The Japanese language is filled with layers of ceremony, but I avoid that as much as I can."

His distaste for nationalism is rooted in his past. He grew up in the ancient walled city of Matsuyama, which Japanese have called Kofu since the 1930s. He was fascinated by the city and expelled by the behavior of the Japanese Army during occupation. As a

testament to his ambivalence about Japan, he changed his name from Kimura to the more Chinese-sounding Kobo.

Abe was in high school during the war and though he once said, "I longed to be a little fascist," he never accepted the pervasive nationalism of his country in the 1940s. When he heard of Japan's imminent defeat in late 1944, he was "overjoyed."

After medical school, Abe wrote his first serious stories, including "Doppelgänger" about a "Mr. Everyman" who turns into a plant. He married, and he and Machi moved from place to place. They lived in friends' homes and in a shack on a barren field.

Like many Japanese intellectuals of the postwar period, Abe joined the Communist Party. He was an active member from 1950 to 1956, but became disillusioned after the party's purge of the Japanese Communist Party.

He drifted away from the party until he was formally expelled in 1962.

Abe plays no part in leftist politics, and the rightist politics of his friend Yukio Mishima made him feel uncomfortable. He was a member of the 1950 McCarran Committee.

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Like many Japanese intellectuals of the postwar period, Abe joined the Communist Party. He was an active member from 1950 to 1956, but became disillusioned after the party's purge of the Japanese Communist Party.

He drifted away from the party until he was formally expelled in 1962.

Abe plays no part in leftist politics, and the rightist politics of his friend Yukio Mishima made him feel uncomfortable. He was a member of the 1950 McCarran Committee.

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Kobo Abe: "Place has no role for me. I am rootless."

those were writers who denied that sick sort of nationalism and particularism that has begun to rise not only in Japan, but in Europe and the United States. The house would be as altered with leaves as a maple grows in late October. Abe's wife got into the habit of picking up the scraps and making them into a meal.

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## PEOPLE

Alberto Moravia, 78, Marries Discorée, 32

The Italian writer Alberto Moravia, 78, married a Spanish divorcee, Discorée, 32, in a civil ceremony in Rome on Monday. It was the second marriage for both. Moravia's first wife, the writer Elsa Moravia, died in November.

Robert Venturi, 60, of the Philadelphia architectural firm Venturi, Rauch and Scott Brown, has been named to design an extension for the National Gallery in Trafalgar Square. The last design for the extension was abandoned after Prince Charles, heir to the throne, described it as a "monstrous carbuncle on the face of a well-loved friend." Venturi is building the Launceston Place extension in London, Texas, and the Seattle Arts Museum.

"Prinz's House" is a dark comedy about a New York family, the biggest winner at the Golden Globes honors of the Hollywood Foreign Press Association. The film, directed by John Huston, was honored in four categories: Best Picture, Best Director, Best Actor and Best Actress.

The film stars Jack Nicholson and Katharine Hepburn in a post-apocalyptic world where a fall in love, get married and find their relationship ruined by their country. "Out of Africa" was named best movie drama and won honors for best supporting actor, Klaus Maria Brandauer, and best score, by John Barry. The co-production was produced by the South African Council of Churches, and John Voigt was named best actor in a movie drama for "Runaway Train."

The anti-apartheid leader Winnie Mandela received the Robert F. Kennedy Memorial Human Rights Award for 1985 at a hotel outside Johannesburg. She was a co-recipient of the award with the prominent campaigner against South Africa's system of racial discrimination — Nelson Mandela, president of the World Alliance of Reformed Churches and Beyers Naudé, general secretary of the South African Council of Churches. Mandela and Naudé were unable to attend the official award ceremony in New York.

"You see, I think the fundamental attitude of a writer should be a static one," he said. "Rather than putting everything I know into a novel, I try to eliminate everything that is not indigenous. It is all a process of erasing, an expression only of the necessary, not of loose memories and thoughts. And it's important for me to make sure I have made all the right choices."

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